137

# THE Public Interest

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*Robert M. Solow* · *Robert L. Heilbroner*

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*Robert A. Nisbet* . . . . . The Permanent Professors
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**Why Are the Poor Still With Us?**
*Nathan Glazer* · *Eveline M. Burns*

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# THE Public Interest

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# What is the Public Interest?

The aim of THE PUBLIC INTEREST is at once modest and presumptuous. It is to help all of us, when we discuss issues of public policy, to know a little better what we are talking about – and preferably in time to make such knowledge effective.

The past decade of American history is just chock full of Great Debates that never happened. Indeed, the more typical arguments over public policy in the United States proceed something like this: (a) it is asserted that we need program A to solve problem X; (b) it is retorted that we *don't* need program A because problem X, in so far as it exists, is on the way to solving itself; (c) a modified version of program A is enacted; (d) it is eventually discovered that problem X is really an amalgam of seven other problems – none of which is on the way to solving itself, and only a few of which will be significantly affected by program A. By this time, however, an agency has been established, monies appropriated, people and resources committed – and the knowledge is not likely to be effectual, or even very welcome.

It is not, however, merely a matter of knowledge, or the lack thereof. "Knowing what one is talking about" is a deceptively simple phrase that is pregnant with larger implications. We do not wish to evade these implications, or pretend to be blind to them. Thus, we must admit – or, if you wish, assert – that such an emphasis is not

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easily reconcilable with a prior commitment to an ideology, whether it be liberal, conservative, or radical. For it is the nature of ideology to *preconceive* reality; and it is exactly such preconceptions that are the worst hindrances to knowing-what-one-is-talking-about. It goes without saying that human thought and action is impossible without *some kinds* of preconceptions – philosophical, religious, moral, or whatever – since it is these that establish the purposes of all thought and action. But it is the essential peculiarity of ideologies that they do not simply prescribe ends but also insistently propose prefabricated interpretations of existing social realities – interpretations that bitterly resist all sensible revision. THE PUBLIC INTEREST will be animated by a bias against all such prefabrications. We shall doubtless publish ideological articles, if they seem particularly challenging and perceptive. But, we hope, not many; and not often.

There is a danger in this, we must allow. The ideological essay, as a literary form, tends to be more "interesting" – it always *seems* to go deeper, point further, aspire higher. Its bland disregard of opposing fact, its very pretentiousness, sometimes even its very smug self-assurance, can give it a readability and literary attractiveness that a more matter-of-fact and more truthful essay does not often instantly achieve. While we shall certainly try to make THE PUBLIC INTEREST as lively, as readable, and as controversial as possible, we nevertheless are determined to make room for the occasional "dull" article that merely reports the truth about a matter under public discussion. After all, just as not all mathematical problems are exciting (intellectually, aesthetically, emotionally), so not all social problems are, either. Only the incurably adolescent mind will find this fact of life distressing.

Unfortunately, there are always more adolescent minds than adolescents around. In the course of a conversation with the editors, one eminent man of letters remarked with an edge of scorn: "You appear to be publishing a middle-aged magazine for middle-aged readers." After thinking it over, we have decided that that is not such a bad description. Young people tend to be enchanted by glittering generalities; older people are inclined to remember rather than to think; middle-aged people, seasoned by life but still open to the future, do seem to us – in our middle years – to be the best of all political generations.

A FEW words about the title. It is probable that as much mischief has been perpetrated upon the human race in the name of "the public interest" as in the name of anything else. Indeed, there are even political scientists who, disgusted by the whole business, insist that the phrase be discarded, along with its equivalents, "the common good," "the common weal", "the public welfare", "the national interest," etc.

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It is either misleading or meaningless, they say; there is no such thing as "the public interest"; there are only private interests – of individuals, groups, classes – which maneuver to obtain the greatest amount of public influence and public power, and each of which discerns "the public interest" in its own image.

Clearly, it would be presumptuous of us to resolve by fiat a theoretical issue that has vexed political philosophers for over two thousand years now. Whether there is a meaning to be ascribed to the phrase "the public interest," and if so what this is, is a matter that will be discussed in our pages – though we suspect it is not likely to be finally settled there, or anywhere for that matter. But we do believe that the term, or one of its synonyms, is not to be escaped from. It may be true that all men are self-seeking; it is demonstrably untrue that all men are always, and in all respects, self-seeking. We do not think, for instance, that the American Political Science Association can be adequately defined as a self-seeking organization – even if some of its members believe that only such a definition is, in general, permissible. Most members of the APSA (and, of course, of other learned bodies), when they meet in solemn assembly, surely have the sense they are quite disinterestedly (if passionately) concerned with truths that bear upon something like "the public interest." We think their sense of the matter is an authentic one, even if it is difficult to articulate.

Walter Lippmann has defined "the public interest" as follows: "The public interest may be presumed to be what men would choose if they saw clearly, thought rationally, acted disinterestedly and benevolently." There are other more complicated definitions; but this will serve. Obviously, there never has been a society in which the public interest ruled supreme; equally obviously, so long as men are not angels, there never will be. But it is also true that there has never been a society which was not, in some way, and to some extent, guided by this ideal . . . no matter how perverse its application, in our eyes.

We feel that a democratic society, with its particular encouragement to individual ambition, private appetite, and personal concerns has a greater need than any other to keep the idea of the public interest before it. Democracy, after all, is government by public opinion. And, as one of the earliest writers on the subject pointed out, for public opinion genuinely to exist, it must be (a) opinion, not fancy or prejudice, and (b) public – i.e., directed toward the common good rather than to private benefits. It is such a public opinion that THE PUBLIC INTEREST seeks to serve.

*Daniel Bell • Irving Kristol*

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# The professionalization of reform

DANIEL PATRICK MOYNIHAN

*"Our best hope for the future lies in the extension to social organization of the methods that we already employ in our most progressive fields of effort. In science and in industry . . . we do not wait for catastrophe to force new ways upon us . . . We rely, and with success, upon quantitative analysis to point the way; and we advance because we are constantly improving and applying such analysis."*

The passage above, as succinct a case for social planning as could be made, is not a product of either the thought or the institutions of the liberal-left. It is, rather, a statement by the late mathematical economist Wesley C. Mitchell. And it has recently been approvingly reprinted at the beginning of a report on "The Concept of Poverty" published by – the Chamber of Commerce of the United States.

The report itself, the work of businessmen and scholars, is perhaps the most competent commentary on the government's anti-poverty program yet to appear. It is replete with citations of articles in *Social Research* and *Land Economics,* and of data from *The Sta-*

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*tistical Abstract of the United States;* the perspective ranges from friendly references to the works of Friedrich Engels, to more detached assessments of contemporary tracts. ("Michael Harrington, author of a widely read book on poverty, *The Other America,* has written, 'Any gain for America's minorities will immediately be translated into an advance for all the unskilled workers. One cannot raise the bottom of society without benefiting everyone above.' This is almost precisely wrong.") But the report is less significant for what it says than for what it is: an example of the evolving technique and style of reform in the profoundly new society developing in the United States. Lacking a better term, it might be described as the professionalization of reform.

## II

Writing for the British journal, *The New Society,* just prior to the assassination of President Kennedy, Nathan Glazer described the process:

> Without benefit of anything like the Beveridge report to spark and focus public discussion and concern, the United States is passing through a stage of enormous expansion in the size and scope of what we may loosely call the social services – the public programs designed to help people adapt to an increasingly complex and unmanageable society. While Congress has been painfully and hesitantly trying to deal with two great measures – tax reform and a civil rights bill – and its deliberations on both have been closely covered by the mass media, it has also been working with much less publicity on a number of bills which will contribute at least as much to changing the shape of American society.

The vast Mental Retardation Facilities and Community Mental Health Centers Construction Act had just become law. The not less enormous vocational education bill was moving steadily through the Congress. The Kennedy Administration had earlier obtained such measures as the Area Redevelopment Act, the Manpower Development and Training Act, and the Public Welfare Amendments of 1962. "Waiting in the wings," were a domestic peace corps and an ambitious youth conservation corps, while the community action programs developed by the President's Committee on Juvenile Delinquency and Youth Crime, established in 1961, were scheduled for new and expanded funding.

It is a special mind that can as much as keep the titles of those programs straight. But the most interesting thing about all this sudden expansion of social services was that it had behind it, as Glazer noted, "nothing like the powerful political pressure and long-sustained intellectual support that produced the great welfare measures of the New Deal – Social Security, Unemployment Insurance, Public Welfare, Public Housing." The "massive political support and intellectual leadership that produced the reforms of the thirties" simply did not exist; yet the reforms were moving forward.

Glazer accounted for this in terms of the emergence of a large

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body of professional persons and professional organizations that had taken on themselves the concern for the 20 to 30 percent of the population that was outside the mainstream of American prosperity. Intellectuals knew little about the subject, and were not much interested. Organized labor, while both concerned and knowledgeable, had had but limited success in involving its membership in such efforts. As a result:

> the fate of the poor is in the hands of the administrators and the professional organizations of doctors, teachers, social workers, therapists, counselors and so forth. It is these who, in a situation where the legislation and programs become ever more complex, spend the time to find out – or rather have brought home to them – through their work the effects of certain kinds of measures and programs, and who propose ever more complex programs which Congress deliberates upon in the absence of any major public interest. When Congress argues these programs, the chief pressures upon it are not the people, but the organized professional interests that work with that segment of the problem, and those who will benefit from or be hurt by the legislation.

The anti-poverty program that was being developed even as Glazer wrote is far the best instance of the professionalization of reform yet to appear. In its genesis, its development, and now in its operation, it is a prototype of the social technique of action that will almost certainly become more common in the future. It is a technique that will not appeal to everyone, and in which many will perceive the not altogether imaginary danger of a too-powerful government. But it is also a technique that offers a profound promise of social sanity and stability in time to come.

There are two aspects of the poverty program which distinguish it from earlier movements of its kind: The initiative came largely from within. The case for action was based on essentially esoteric information about the past and probable future course of events.

The most distinctive break with the past is with regard to initiative. War on poverty was not declared at the behest of the poor. Just the opposite. The poor were not only invisible, as Michael Harrington described them, they were also for the most part silent. John F. Kennedy ventured into Appalachia searching for Protestant votes, not for poverty. There he encountered the incredible pauperization of the mountain people, most particularly the soft coal miners, an industrial work force whose numbers had been reduced by nearly two-thirds in the course of a decade – but with hardly a sound of protest. The miners were desperately poor, shockingly unemployed, but neither radical nor in any significant way restive. It may be noted that in 1964, in the face of the historic Democratic sweep, Harlan County, Kentucky, returned a freshman Republican Congressman.

True, the civil rights movement was well established and highly effective during this period, but it was primarily concerned with just that: the demand for the recognition of the civil rights of the Negro American. While the movement would clearly in time turn

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to the problem of poverty and of the economic position of the Negro, it had only begun to do so, as in the March on Washington in August 1963, and its economic demands were still general and essentially traditional, as for example, an increased minimum wage.

Apart from the always faithful labor movement, the only major lobbies working for any of the programs that came together to form the war on poverty, were the conservationists supporting the youth conservation camps, and the National Committee on the Employment of Youth, an organization representing a variety of groups in the social welfare field. The essential fact is that the main pressure for a massive government assault on poverty developed within the Kennedy-Johnson Administration, among officials whose responsibilities were to think about just such matters. These men now exist, they are well paid, have competent staffs, and have access to the President. (Many of these officials, of course, were originally brought to Washington by the New Deal: they are by no means all *nuovi huomini.*) Most importantly, they have at their command an increasing fund of information about social conditions in the United States.

Almost all this information is public, but the art of interpreting it is, in a sense, private. Anyone is free to analyze income statistics, or employment data, or demographic trends to his heart's content. But very few persons in the beginning years of the present decade were able to perceive in those statistics the gradual settling of a poverty class in America. A number of officials in the Federal government (mostly academicians on leave) were. Leaving aside the question of whether or not they were right – a question which must always be open – it is clear that the judgment they reached was quite at variance, almost poles apart, from the general public understanding of the time.

Whereas the public, both high and low in the intellectual hierarchy, saw income distribution steadily compressing, saw the Negro American more and more winning his rightful place in society, saw prosperity spreading through the land, the men in the government saw something quite different: an income distribution gap that had not budged since the end of the war, and had in fact worsened sharply for Negroes, a rising measure of social disorganization among poor families and poor communities, a widening gap between the prospects of the poor and those of the middle class.

In President Johnson these officials found a chief executive who knew a good deal about poverty, and seemingly everything about politics. In a matter of weeks from the time he assumed office, the array of programs and bills Glazer had described as "waiting in the wings" were mustered into a coherent legislative program, reinforced by some entirely new ideas, and moved out under the banner of War on Poverty. It was an issue that united rather than divided, and the ranks of its supporters if anything swelled as it moved through the legislative process.

There is nothing, as such, startling about these developments.

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They have been foreseen, with either hope or fear, by many persons for many years. However, in recent times a number of events have occurred which very much hasten the process, and make it of greater moment. These have to do with the almost sudden emergence of the fact that the industrial nations of the world seem finally about to learn how to manage their economies, with the professionalization of the middle class, and with the exponential growth of knowledge.

## III

1. *The Economic Revolution*

Recent years, with the steady advance of technology, have given birth to a good number of neo-apocalyptic views of the future of the American economy, most of them associated with the concept of automation. No one should doubt there is something called automation going on, and that it does change things. However, there is no evidence whatever that it is in fact transforming American society, or any other society. It is simply the newest phase in a process that has been under way for at least two centuries, and will presumedly go on and on, past any immediate concern of this age or the next.

At the same time, there is a good deal of evidence, if that is the term for what are little more than everyday impressions, that in the area of economic policy there has occurred a genuine discontinuity, a true break with the past: Men are learning how to make an industrial economy work.

What is involved is something more permanent than simply a run of good luck, or specially refined intuitions on the part of persons responsible for the economic affairs of one nation, or a group of nations. Rather it is the fact that for two decades now, since the end of World War II, the industrial democracies of the world have been able to operate their economies on a high and steadily expanding level of production and employment. Nothing like it has ever happened before in history. It is perhaps the central fact of world politics today. The briefest recollection of what happened to those economies in the two decades that followed the First World War will suggest why.

Moreover, it is a development that has all the markings of a scientific event, of a profound advance in knowledge, as well as of an improvement in statecraft.

In the beginning was the theory. With but little data either to support or confound them, economic theories multiplied and conflicted. But gradually more and better data accumulated: progress begins on social problems when it becomes possible to measure them. As the data accumulated and technology made it possible to calculate more rapidly, the theories gradually became able to explain more, and these in turn led to the improvement in the data. John Maynard Keynes at King's College, Cambridge, and Wesley C. Mitchell at the National Bureau of Economic Research in New York are supremely good symbols of the two processes that ended up in a deeply symbiotic relationship. And then one day it all more or less

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hangs together and the world is different, although of course not quite aware of the change. Governments promise full employment – and then produce it. (In 1964 unemployment, adjusted to conform more or less to United States' definitions, was 2.9 percent in Italy, 2.5 percent in France and Britain, and 0.4 percent in Germany. Consider the contrast with post-World War I.) Governments undertake to expand their economy at a steady rate – and do so. (In 1961 the members of the Organization for Economic Cooperation and Development, which grew out of the Marshall Plan, undertook to increase their output by 50 percent during the decade of the 1960's. The United States at all events is right on schedule.)

The ability to predict events, as against controlling them, has developed even more impressively – the Council of Economic Advisers' forecast of GNP for 1964 was off by only $400 million in a total of $623 billion; the unemployment forecast was on the nose.

There is a temptation, of course, to go too far in presuming what can be done with the economy. The international exchange system is primitive, and at the moment menacing. The stock market can be wildly irrational. There are, as Hyman Lewis points out, competing theories of investment which could bring us to unsettling dilemmas. We in the United States have not achieved full employment. We have accepted the use of Federal taxing and spending powers as a means of social adjustment, but so far only in pleasant formulations. Our willingness to raise taxes, for example, is yet to be tested. In general, the political component of political economy remains very much uncertain. Thus the British, again to cite Lewis, have the best economists, but one of the less successful economies. But the fact remains that economics is approaching the status of an applied science.

In the long run this econometric revolution, assuming it works itself out, is bound to have profound effects on the domestic politics of all the nations involved. The central political issue of most industrial nations over the past century and a half has been how to make an economy work. Almost every conceivable nostrum, from the nationalization of the means of production, distribution, and exchange, to the free coinage of silver has been proposed, and most have been tried. Usually without success. In the United States, for one administration after another, economic failure has led to political failure. But if henceforth the business cycle has a longer sweep, and fewer abrupt downturns, the rise and fall of political fortunes may follow the same pattern. Once in power, a party may be much more likely to remain so. Or in any event, the issues that elect or defeat governments could be significantly different from those of the past.

The more immediate impact of this econometric revolution in the United States is that the Federal government will be endowed, more often than not, with a substantial, and within limits predictable, rise in revenues available for social purposes. Significantly, the war on poverty began in the same year of the great tax cut. The President was not forced to choose between the measures; he was able

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to proceed with both. In that sense, the war on poverty began not because it was necessary (which it was), but because it was possible.

The singular nature of the new situation in which the Federal government finds itself is that the immediate *supply* of resources available for social purposes might actually outrun the immediate *demand* of established programs. Federal expenditures under existing programs rise at a fairly predictable rate. But, under conditions of economic growth, revenues rise faster. This has given birth to the phenomenon of the "fiscal drag" – the idea that unless the Federal government disposes of this annual increment, either by cutting taxes or adding programs, the money taken out of circulation by taxes will slow down economic growth, and could, of course, at a certain point stop it altogether.

Thus, assuming the continued progress of the economy in something like the pattern of recent years, there is likely to be $4-5 billion in additional, unobligated revenue coming in each year. *But* this increment will only continue to come on condition that it is disposed of. Therefore one of the important tasks to which an administration must address itself is that of devising new and responsible programs for expending public funds in the public interest.

This is precisely the type of decision-making that is suited to the techniques of modern organizations, and which ends up in the hands of persons who make a profession of it. They are less and less political decisions, more and more administrative ones. They are decisions that can be reached by consensus rather than conflict.

2. *The Professionalization of the Middle Class*

"Everywhere in American life," Kenneth S. Lynn reports, "the professions are triumphant." The period since the G.I. Bill has witnessed an extraordinary expansion of higher education. In the United States, a quarter of the teenage population now goes on to some kind of college, and among specific class and ethnic groups the proportion is as high as three quarters. The trend is unmistakable and probably irresistible: in the course of the coming decades some form of higher education will become near to universal. But most importantly, for more and more persons the form of education will involve professional training. This is not the same thing as traditional higher education; it does not produce the same types of persons.

The difference has been most succinctly stated by Everett C. Hughes: "Professionals *profess*. They profess to know better than others the nature of certain matters, and to know better than their clients what ails them or their affairs." And he continues:

> Lawyers not only give advice to clients and plead their cases for them; they also develop a philosophy of law – of its nature and its functions, and of the proper way in which to administer justice. Physicians consider it their prerogative to define the nature of disease and of health, and to determine how medical services ought to be distributed and paid for. Social workers are not content to develop a technique of case work; they concern themselves with social legislation. Every profession considers itself the proper body

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to set the terms in which some aspect of society, life or nature is to be thought of, and to define the general lines, or even the details, of public policy concerning it.

As the number of professionals increase, so also do the number of professions, or neo-professions. More and more, middle-class persons are attracted by the independence of judgment, esoteric knowledge, and immunity to outside criticism that characterize professionals. As Everett Hughes puts it: "The YMCA secretary wants his occupation recognized not merely as that of offering young men from the country a pleasant road to Protestant righteousness in the city, but as a more universal one of dealing with groups of young people. All that is learned of adolescence, of behavior in small groups, of the nature and organization of community life is considered the intellectual base of his work."

There are now an extraordinary number of such persons in America. Those Americans classified as professional and technical workers have just passed the nine million mark — more than the number of "managers, officials, and proprietors," more than the craftsmen and foremen. And of this group, an enormous number is involved in various aspects of social welfare and reform. Through sheer numbers they would tend to have their way; but as professionals in a professionalizing society, they are increasingly *entitled* to have their way. That is how the system works.

One of the more powerful demonstrations of the influence of professional thinking on programs of social reform is the provision of the Economic Opportunity Act that community action programs be carried out with the "maximum feasible participation" of the poor themselves. This is one of the most important and pioneering aspects of the entire anti-poverty program. But typically this measure was inserted in the legislation not because of any demand of the poor, but because the intellectual leaders of the social welfare profession had come to the conclusion that this was indispensable to effective social action. Typically also, the literature describes the process in terms of the use of the "indigenous nonprofessional" — persons identifiied by the fact that they are *not* professional. A somewhat ironical turn of events in this area is the role the community action programs are playing in recreating the ethnic political-social organizations of the big city slums — the dismantling of which was for so long the object of political and social reformers in the United States!

The prospect of large scale opposition to the new professions is, for the moment at least, limited because the professionalization of the middle class has led to a no less extraordinary opening up of careers to talent. The time when any considerable number of persons of great ability and ambition have found their way out of poverty blocked by their inability to obtain an education has all but passed. (There are still many, many persons whose natural abilities are stunted by poverty, but that is another matter.) A nationwide survey of 1960 high school graduates, Project Talent, found that about 97 percent of those in the top 1 percent in aptitude and 93

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percent of those in the top 5 percent, entered college within a year. Among the next 5 percent (the 90th to 94th percentile) 86 percent did so. As a general proposition, ability is recognized and rewarded in America today as at no time in history. (Michael Young's forecast of the revolt of the lower quartile against the ultimate injustice of a society based on merit may not be discounted, but it is not on the other hand scheduled until 2031.)

It is possible that this process, just because it is successful in drawing up talent from lower economic and social groups, will deprive those groups of much of their natural leadership, and make them all the more dependent on professionals. Kenneth Clark has noted that the degree of recruitment of civil rights leaders into "establishment" organizations verges on raiding — and has raised suspicions of hidden motives! On the other hand, there is rather a pronounced tendency for persons from such groups, when they do rise to the middle class, to settle into professions which involve work with the very groups they left behind. Thus, in a certain sense the poor are not so much losing their natural leaders as obtaining them through different routes.

3. *The Exponential Growth of Knowledge*

Among the complexities of life is the fact that the American business community, in a period when it was fiercely opposed to the idea of economic or social planning, nonetheless supported, even pressed for, the development of a national statistical system which has become the best in the world and which now makes certain types of planning and regulation – although quite different from the collective proposals of earlier eras – both feasible and in a measure inevitable. Much as mountains are climbed, so statistics are used if they are there. As an example, trade union wage settlements in recent years have been profoundly influenced by the wage-price guidelines set by the Federal government. This could not possibly have occurred on an essentially voluntary basis were it not that the Bureau of Labor Statistics has developed the technique of measuring productivity — and has done so accompanied, step by step, by the business and labor advisory committees that work with the Bureau. A measure of the near quantum change that has only recently occurred in the information available for social planning in the United States (the development work began long ago, but the pay-off has been rather recent) may be suggested by the fact that the nation went through the great depression of the 1930's without ever really knowing what the rate of unemployment was! This was then a measurement taken but once every ten years, by the Census. Today, of course, employment and unemployment data are collected monthly, and debated in terms of the decimal points. Similarly, the census has been quietly transformed from a ten-times-a-century proceeding to a system of current accounts on a vast range of social data.

Most of the information that went into the development of the anti-poverty program was essentially economic, but the social data

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available to the President's task force was of singular importance in shaping the program, and in turn the program will greatly stimulate the collection of more such. The nation is clearly on the verge of developing a system of social statistics comparable to the now highly developed system of economic statistics.

The use of all such statistics is developing also. A vast "industry of discovery," to use William Haber's description of events in the physical sciences, is developing in the social sciences as well. Computer technology has greatly enhanced the possible uses of such data. Just as the effort to simulate the American economy is now well advanced, the simulation of social processes, particularly in decision-making, is also begun, and may be expected to produce important, if not indeed revolutionary insights. Such prospects tend to stir some alarm in thoughtful persons, but it may be noted the public has accepted with calm, even relish, the fact that the outcome of elections is now predicted with surpassing accuracy. If that most solemn of democratic rituals may be simulated without protest, there is not likely to be much outcry against the simulation of various strategies of housing integration, or techniques of conflict resolution, or patterns of child rearing.

Expenditure for social science research was somewhere between $500 and $600 million in 1964. This was only 10 percent of the $6 billion spent in the same year on the life and physical sciences (including psychology), and much less a proportion of the $19 billion spent on research and development altogether. Nonetheless it represents a sixfold growth in a decade. There is, moreover, some indication that social scientists are not yet thinking in the money terms that are in fact available to them. Angus Campbell suggested recently that social scientists still think in budgets of thousands of dollars when they should be thinking of millions. "The prevailing format for social research is still the exploitation of opportunities which are close at hand, easily manageable, and inexpensive." But, he adds, "there are a good many social scientists who know very well how to study social change on a broad scale and are intensely interested in going about it." The Survey Research Center at the University of Michigan, which Campbell directs, has, for example, under way a year-long panel survey of the impact of the 1964 tax cut on the nation's taxpayers, a specific example of the use of social science techniques in the development of economic policy.

All in all, the prospect is for a still wider expansion of knowledge available to governments as to how people behave. This will be accompanied by further improvement of the now well-developed techniques of determining what they think. Public opinion polls are already a daily instrument of government decision-making (a fact which has clearly affected the role of the legislature). In combination, these two systems of information make it possible for a government to respond intelligently and in time to the changing needs and desires of the electorate. The day when mile-long petitions and mass rallies were required to persuade a government that a popular

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demand existed that things be done differently is clearly drawing to a close. Indeed, the very existence of such petitions and rallies may in time become a sign that what is being demanded is *not yet* a popular demand.

4. *The Perils of Progress*

The professionalization of reform will proceed, regardless of the perils it presents. Even in the face of economic catastrophe, which is certainly conceivable if not probable, the response will be vastly more systematic and informed that any of the past.

A certain price will be paid, and a considerable risk will be incurred. The price will be a decline in the moral exhilaration of public affairs at the domestic level. It has been well said that the civil rights movement of the present time has at last provided the youth of America with a moral equivalent of war. The more general effect of the civil rights movement has been a much heightened public concern for human dignity and welfare. This kind of passion could seep out of the life of the nation, and we would be the less for it.

The risk is a combination of enlightenment, resources, and skill which in the long run, to use Harold D. Laswell's phrase, becomes a "monocracy of power."

But the potential rewards are not less great. The creation of a society that can put an end to the "animal miseries" and stupid controversies that afflict most peoples would be an extraordinary achievement of the human spirit. The argument may be made, for example, that had the processes described in this article not progressed as far as they had by 1961, the response of the Federal government to the civil rights revolution would have been thoroughly inadequate: that instead of joining with and helping to direct the movement, the national government would have trailed behind with grudging, uncomprehending, and increasingly inadequate concessions that could have resulted in the problem of the Negro American becoming insoluble in terms of existing American society.

The prospect that the more primitive social issues of American politics are at last to be resolved need only mean that we may now turn to issues more demanding of human ingenuity than that of how to put an end to poverty in the richest nation in the world. Many such issues might be in the area of foreign affairs, where the enormity of difficulty and the proximity of disaster is sufficient to keep the citizens and political parties of the nation fully occupied. And there is also the problem of perfecting, to the highest degree possible, the *quality* of our lives and of our civilization. We may not be accustomed to giving political priority to such questions. But no one can say they will be boring or trivial!

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# Technology and unemployment

ROBERT M. SOLOW

Whenever there is both rapid technological change and high unemployment the two will inevitably be connected in people's minds. So it is not surprising that technological unemployment was a live subject during the depression of the 1930's, nor that the debate has now revived. The discussion of thirty years ago was inconclusive, partly because there were more urgent things to worry about and partly because economists did not then have a workable theory of income and employment as a whole. They have now. Curiously, the current discussion seems to take place mainly outside of professional economics. That may be because economists feel there are no longer any very important intellectual issues at stake. If that is so, it may be worth stating what the agreed position is.

First, however, one should have an idea of the orders of magnitude involved: how fast is technology changing? After all, an analysis that will perfectly well cover moderate rates of technological progress and moderate increases in the rate may not apply nearly so well if there are catastrophic changes in the role of labor in production. Fortunately this is a fairly straightforward question. Its answer does not depend on what fraction of all the scientists who have ever lived are now alive, or on the number of computers produced and installed last year, or on the existence of an oil refinery with nobody in it, or on any such exotic facts. Any major change in the quantitative relation between output and employment must show up in the conventional

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productivity statistics. Here productivity means nothing but the value of output per manhour, corrected for price changes. It goes up whenever labor requirements for a unit of final output go down, and by the same percentage. There are productivity statistics for certain industries, for manufacturing as a whole, and for even broader aggregates. It doesn't matter much which aggregate is selected. What such figures show is easily summarized.

For the private economy as a whole, the average annual increase in output per manhour between 1909 and 1964 was 2.4 percent. But if we divide that long period at the end of World War II, it turns out that the increase was faster after 1947 than before. From 1909 to 1947 productivity rose by 2 percent a year on the average, while from 1947 to 1964 it rose by 3.2 percent a year. Moreover, from 1961 to 1964, productivity rose by 3.4 percent a year.

I said that this was a fairly straightforward question: only *fairly* straightforward because it is not easy to interpret changes in productivity extending over just a few years. Recessions and recoveries have their own productivity patterns and there are erratic fluctuations besides. The 1961-1964 rise, part of a long upswing, is especially suspicious. Still, it is hard to mistake what the figures are trying to say. There was a definite acceleration of the productivity trend about the time of the war. (The biggest year-to-year increase came in 1949-50 for reasons not hard to understand.) There may even have been a slight further acceleration after 1961. It is too early to say, and in any case the amount involved is small.

This rough statistical indication is enough. It does not suggest the immediate disappearance of the job as an institution. But what does it say about the possibility of slower, less dramatic technological unemployment, if only a million or so at a time? Popular writing suggests that there are two schools of thought. One claims point-blank that automation necessarily – or at least in fact – "creates more jobs than it destroys". From this it would seem to follow that, if technological progress went at any slower pace than it now does, there would necessarily be more unemployment than there now is. The other school claims that automation necessarily – or at least in fact – destroys more jobs than it creates. So that if technological progress went at any faster pace than it now does, or only just as fast, severe unemployment would be inevitable.

Which school is right? I think the economist's answer has to be that both are wrong or, to be more precise, both are irrelevant. They have simply missed the point. Perhaps the question "Does automation create or destroy more jobs?" is answerable *in principle;* perhaps it is not. What is perfectly clear is that the question is simply unanswerable *in fact*. I doubt that anyone could make a good estimate of the net number of jobs created or destroyed merely by the invention of the zipper or of sliced bread. It would be a fantastically more complicated job to discover the net effect of *all* technological progress in any single year on employment. No one can possibly know; so no one has the right to speak confidently.

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The Great Automation Question, as I have phrased it, is not only unanswerable, it is the wrong question. The important point is that, to a pretty good first approximation, *the total volume of employment in the United States today is simply not determined by the rate of technological progress.* Both theory and common observation tell us that a modern mixed economy can, by proper and active use of fiscal and monetary policy weapons, have full employment for *any* plausible rate of technological change within a range that is easily wide enough to cover the American experience.

## The European experience

Consider, for example, the West German economy. Output per manhour has been increasing considerably faster there than in the United States – about 6 percent a year since 1950, and 5 percent a year since 1955. While the American *level* of productivity is unsurpassed anywhere, the economy of West Germany has certainly been no less technologically dynamic than our own in the past 15 years. Yet for some time the German unemployment rate has been below 1 percent of the labor force (compared with 5-7 percent here) and there have been 7 to 10 unfilled vacant jobs for every unemployed person. What is even more striking is that this technologically advanced and advancing economy seems to have an insatiable appetite for unskilled labor. Having exhausted the domestic supply, it goes to Italy, Spain, Portugal, Greece and Turkey to recruit workers who have only minimal education and can surely neither read, write, nor even speak German. One has the impression that even an American teenager could find employment in a German factory. Of course there are many special things that might be said about the recent history of the German economy, from the need for postwar reconstruction to the now-ended flow of refugees from the East. But they do not affect the point at issue.

Or take an example on the other side, Great Britain. Their productivity has grown a bit more slowly than ours. The conventional belief is that the British economy offers more resistance to technological progress than most others. The British economy has also had all sorts of other troubles – but the maintenance of high employment has not been one of them. The unemployment rate in Britain is now about 1½ percent. There is even some discussion as to whether the economy might not function a bit more efficiently and smoothly with a slightly higher unemployment rate, say 2 percent.

Polar examples like these give a strong hint that no simple yea-saying or nay-saying can be the right answer to the question about the likelihood of technological unemployment. The right answer is more complicated and goes something like this: At any one time, we can hope to identify something we can call the capacity output of the economy as a whole. (Sometimes it is called "potential" or "full employment" output; the idea is the same.) This is at best a rough and ready concept. Under stress an economy can produce more than its capacity for quite a while, so capacity output is not a rigid upper

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limit. Moreover, a modern economy can produce a wide variety of "mixes" of goods and services, heavily weighted with military hardware, or automobiles, or machinery, or food and fiber, or personal services, according to circumstances. When the economy as a whole is operating at or near its capacity, there may be some industries straining their plant and equipment to the limit while others have quite a bit of slack. Nevertheless, under normal circumstances the output-mix changes slowly. We can know what we mean by capacity output and, subject to some error, we can measure it. (In the first quarter of 1965, the country produced a Gross National Product of about $649 billion, annual rate; the Council of Economic Advisers estimated that capacity output was about $25 billion higher.)

The productive capacity of an economy grows fairly smoothly – not with perfect regularity, of course, but fairly smoothly. The growth of productive capacity is determined by an array of basic underlying factors: the growth of the labor force in numbers; changes in the health, education, training, and other qualities of those who work and manage; changes in the number of hours they wish to work; the exhaustion and discovery of natural resources; the accumulation of capital in the form of buildings, machinery, and inventories; and the advance of scientific, engineering and technological knowledge and its application to production. This is one of the important ways in which the level of technology enters our problem. If the rate of technological progress accelerates or decelerates, then the growth of capacity is likely to speed up or slow down with it. The different factors are not entirely independent of one another: new knowledge may require better-trained or differently-trained people or wholly new plant and equipment for its successful application. It is also possible for changes in one of the underlying trends to be offset by changes in another, coincidentally or consciously engineered. In any case, they are likely to move with some smoothness, and their net resultant – capacity output – even more so.

The actual output produced by the economy fluctuates more raggedly around the trend of capacity, sometimes above it, sometimes – more often, in the case of the U. S. – below it. When production presses hard against capacity, it is capacity limitations that keep it from going higher. In all other cases, what governs the current level of output is the *demand* for goods and services. Demand is exercised by the interlocked spending decisions of all the final purchasers in the economy: consumers, business firms, all levels of government, and the foreigners who buy our exports. Technological developments play a part here too, among many other determinants of spending decisions. Changes in military technology may cause governments to spend more – or less; the invention of new commodities and new ways to produce old ones may induce industry to invest in new facilities and consumers to shift their purchases (and perhaps to change the total amount). Of course there are other reasons why the flow of consumption, investment, and government expenditures may vary. So long as capacity pressure is not too strong, bottlenecks not too perva-

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sive, when total demand rises, total output will rise to match it; when total demand falls, total output will fall with it. This doesn't happen instantaneously; inventories provide one buffer. But it happens.

The picture, then, is of a fairly smoothly rising trend of capacity, propelled by some rather deep-seated forces. Moving around it is a much more volatile, unsteady curve of current output, driven by whatever governs aggregate expenditures, including economic policy decisions. Current output cannot be far above capacity for long, but it can drag along below for years at a time. During the first half of this century, the trend of capacity output in the United States seems to have risen on the average at about 3 percent a year. From the end of the Korean War until very recently the rate of growth of capacity was more like 3½ percent a year; and the best evidence seems to be that the current and immediately prospective growth rate of capacity will be in the neighborhood of 4 percent a year, possibly a bit lower now, possibly a bit higher later. The postwar acceleration was mainly a result of the speedup in productivity already mentioned. The current acceleration may draw a little something from a further speedup in productivity, but its main source is the arrival at working age of the first postwar babies.

## The triumph of economics over fable

Now the crucial fact is that when output is rising faster than capacity the unemployment rate tends to fall; when output is rising more slowly than capacity – even though it is rising, mind you – the unemployment rate tends to get bigger; and if output rises at about the same rate as capacity, so that the percentage gap between them stays constant, then the unemployment rate stays pretty nearly constant. It is a fairly safe generalization about the past ten years that when aggregate output has risen at about 3½ percent a year between any two points in time, just about enough new jobs have appeared to occupy the increment to the labor force, with nothing left over to reduce unemployment. The tax cut of 1964 is a kind of landmark in American economic policy, the triumph of Economics over Fable. I like to think that it was helped along by the sheer cogency of the arguments for it. But any realist has to give a lot of credit to the fact that, from the middle of 1962 to the middle of 1963, with the economy rising and setting "new records" every quarter, the unemployment rate stuck at about 5.6 percent of the labor force and stubbornly refused to go anywhere, especially not down. Be thankful for small favors; but note also that during that time the GNP corrected for price changes rose only by a little more than 3 percent. The gap between output and capacity was not narrowing; unemployment was not reduced. If it turns out to be right that the growth of capacity during the next few years will be nearer 4 percent annually, then it will take a 4 percent increase in demand every year to hold the unemployment rate constant; what was good enough to keep unemployment level in 1963 may by 1967 not be adequate to stem slowly rising unemployment.

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Closer study of the facts suggests a more powerful generalization. On the average, an extra 1 percent growth of real (i.e. price-corrected) GNP in any year has been associated with a reduction in the unemployment rate of roughly one-third of a percentage point. Or, what is the same thing, to get the unemployment rate to fall by one full point from one year to the next requires that real output (real demand) increase by about 3 percent *over and above the increase in capacity*. To see how this works, consider the behavior of the economy since the tax cut.

From the middle of 1963 to the middle of 1964, real GNP gained 5 percent. "Capacity GNP" probably went up by something less than 4 percent. The rule of thumb I have mentioned (which sometimes goes under the name of Okun's Law) would predict a drop in the unemployment rate of something like 4/10 of a percentage point. In fact, the unemployment rate did go down, by 5/10 of a point, from 5.7 percent to 5.2 percent. In the half-year from the third quarter of 1964 to the first quarter of 1965 real GNP gained almost 2½ percent; this is more than one-half of 1 percent over and above the rise in capacity. It should, therefore, have reduced the unemployment rate by some 2/10 of one point. The unemployment rate actually fell from 5.1 percent to 4.8 percent.

In all honesty I cannot leave the impression that the national economy ticks over like a bit of clockwork, predictable from a few simple rules of thumb. I have picked out a few instances in which the pat relation between output, growth, and unemployment worked just fine. It is not always so. The relation itself is compounded of the effects of changes in demand on hours worked, on the number of people seeking employment, on the short-run ups and downs of productivity itself. Each of these connections has some slippage; none is precise; there are lags sometimes before the expected response occurs. Moreover, something must depend on what mix of goods and services happens to be demanded. A billion dollars of services probably provides more employment than a billion dollars of goods, a billion dollars of missiles perhaps less than a billion dollars of aircraft. And yet, it's not at all a bad rule of thumb. If I had to predict what would happen to unemployment during the next year I would certainly begin by trying to estimate what is going to happen to the gap between capacity output and aggregate demand.

What does all this have to do with the question of technological unemployment?

Suppose that a surge of technological progress takes place, whether you call it automation or something less ominous-sounding. Productivity will begin to rise at a faster pace than it used to. So will the trend-line of capacity output. If the demand for goods and services continues to grow only at its old rate, the gap between demand and capacity will get wider. In other words, if the increase in capacity is not matched by an increase in demand, the result will be an increase in unemployment. (All this, mind you, while new records are being set regularly and columnists assure us that the economy is "boom-

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ing".) You can call this unemployment technological, if you like, but it is not different from ordinary unemployment. The way to get rid of it is to make sure that demand rises in step with the economy's capacity to produce.

I have already mentioned that changes in technology also have an effect on demand. New commodities, new materials, major cost reductions cannot fail to leave a mark on the way in which the public spends its income. (The "public" here includes businesses and governments as well as individual families.) It is possible that any particular burst of technological progress will carry along with it the extra demand necessary to keep extra unemployment from appearing. It is also possible that it will not. It is even possible that a series of innovations should generate a bigger increment to demand than to capacity, and therefore a net reduction in unemployment. The trouble is that nobody can say in advance which will actually be the case. Indeed, as I have suggested, nobody may be able to tell after the fact which has been the case. One can, of course, say whether unemployment has gone up or gone down. But there are many other influences on employment. Faster growth of the labor force, for example, can also push up the capacity trend; it can also have effects on demand. Except under the best of circumstances, it may prove impossible to identify the particular effects of technical progress and separate them from the effects of other forces.

The moral of this analysis is that such an identification doesn't much matter. Unemployment above the "frictional" level occurs, usually, because total dollar demand fails to keep pace with productive capacity. Whether or not an acceleration of technological progress happens to be among the causes is not all-important. The remedy in any case is to keep total demand moving in step with capacity. And this, governments in the mixed economy do have the fiscal and monetary policies to ensure – if they will use these powers.

So, as the examples of Germany and Britain confirm, it is possible to have full employment with slow technical progress and full employment with fast technical progress. *But it does not happen automatically.* It requires conscious policy to manage the volume of demand and keep it going at approximately the right pace. (Do not be misled, in this connection, by the case of Germany. The Federal Republic talks the best game of *laissez-faire* in the world. At the same time it does dozens of things each one of which would be instantly denounced in the United States as creeping socialism.)

In the modern mixed economy, there is no shortage of instrumentalities for operating on aggregate demand: monetary and credit policy, changes in taxation, adjustments in transfer payments – such as unemployment compensation, family allowances, and social security benefits – and, finally, the direct purchases of goods and services by the government. Since each of these instruments must serve other purposes as well, it may not always be clear exactly what is the best policy. That is what the discussion ought to be about, rather than mere anecdote about the wonders and horrors of modern technology.

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### The fine structure of unemployment

This analysis of the interrelations among technological progress, output, and employment is, as I have said, a first approximation, though a usable one. A second approximation would have to take account of the fact that each of these global concepts has a fine structure. The main new implication is that a period of rapid change is likely to be accompanied by much displacement of labor. Even if the total volume of unemployment is held unchanged, its composition may shift noticeably. This calls for additional policy measures designed to speed and cushion the necessary transitions.

Technological progress, whether it takes the form of new products or "automation", can be more or less labor-saving in its effects. And, however labor-saving it is, it can fall more or less heavily on the availability of skilled jobs or unskilled jobs, manual or white-collar jobs, manufacturing or service jobs, jobs for uneducated or jobs for highly-educated workers. Any innovation has direct and indirect effects on employment, some of them very complicated. New products and new methods of production require new machinery, new materials, new locations, and perhaps still other changes in economic activity. It is well to realize that *almost nothing is known about the full labor-saving effects of major innovations*, nor even whether "automation" is more or less labor-saving than earlier changes in technology, nor even whether it causes any consistent change in the general level of skill needed in production. There is always a small supply of anecdotes, but anecdote is a poor sort of evidence, given the universal tendency to tell the same anecdote more than once.

The second of our global quantities – output – also has a structure. I have already mentioned that shifts in demand between goods and services, and among various kinds of goods, may change the basic relations connecting total output and total employment. This is because the different things that families, firms, and governments buy contain different amounts of labor, and especially different amounts of labor of different types and from different places. The shift in defense procurement from aircraft to missiles may well have meant less employment per dollar of spending; it has certainly meant more employment for the sort of people who are at work in the electronics industry in the places where the electronics industry has settled, and less work for the occupations more at home in the making of airframes and engines in the places where that industry has been most concentrated. A similar story could be told about the replacement of natural by synthetic fibers and, above all, about the shift from agriculture to industry.

I remember that in 1961 one often heard the opinion that the shift from goods to services was accelerating, and that the demand for durable goods, in particular, was essentially saturated. The burden of the argument was that the blue-collar occupations and the traditional industrial cities – Detroit especially –were finished, would not respond to general economic expansion. The prescription was for salvage operations rather than fiscal and monetary stimulation. Well

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as it happens, the expansion that began early in 1961 has been to an unusual extent concentrated in the goods-producing industries, especially in the durable-goods industries, most especially in the automobile industry. One result has been that employment has risen (and unemployment has fallen) relatively more rapidly in blue-collar than in white-collar occupations, more in manufacturing than in the service industries, and more among the unskilled and semi-skilled than among others. I do not conclude from this experience that white-collar occupations and service industries have had it; I conclude only that people ought to stifle the tendency, in matters they do not understand, to project the last six months into an irreversible trend.

As this discussion indicates, and as everyone must realize anyhow, there is also a fine structure to unemployment. Everyone in the labor force does not have the same probability of becoming or staying unemployed. Unemployment rates differ according to age, sex, color, education, skill, occupation, place, and industry of attachment. The differences are far from trivial: in the first quarter of this year less than 3 percent of white men 20 years old and older were unemployed, but more than 30 percent of Negro girls between 14 and 19 years old were unemployed. The character of unemployment as a social problem depends critically on the composition of the unemployed. It is one kind of situation when unemployment is concentrated, as it now is, among the young; it would be a different, but perhaps even more serious, situation if the same amount of unemployment were concentrated among heads of families with long-standing attachment to the labor force. An economist will wish to separate the two questions: How much unemployment is there? Who has to bear it? I myself would not want to push the difference between these questions too far; but it is important to push the difference far enough. Otherwise confusion arises.

If, in fact, we are in for a period of comparatively rapid productivity increase in white-collar and service jobs, then some of the traditional unemployment *differentials* may shift. Whether they do so will depend on the speed with which the supply of different categories of labor adjusts to the demand. One cannot draw any simple conclusions about *total* employment in this way.

## The Arizona fallacy

I have argued that the main determinant of the total amount of unemployment is the size of the gap between the economy's aggregate capacity to produce things and the aggregate purchasing power the economy is willing to devote to buying them. When it comes to the composition of unemployment, the important things to talk about are the particular nature of technological progress, the fine structure of demand, the path by which the present situation has been reached (I shall mention why in a moment), and perhaps the forces that govern the relative wages of different categories of labor.

That is a subject to itself. I want to make only a negative point, directly related to the Great Automation Question. It is all too easy

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to fall into a fallacy which goes like this. Many of the unemployed are uneducated and unskilled, and many of the uneducated and unskilled are unemployed. It must follow that the source of our high unemployment has to be something which strikes particularly at the unskilled and uneducated. What can that be but the tendency for automation to render the unskilled and uneducated unemployable? It is not often realized that the logic of this argument is about on a par with the logic that observes a relatively high incidence of deaths from tuberculosis in Arizona and concludes that the Arizona climate must be a powerful cause of tuberculosis.

It does seem true that, with the present state of the arts and the present wage structure, the skilled, the educated, the middle-aged and the permanently established are, generally speaking, more "desirable" employees than others. This suggests that in any substantial period of tranquility employers may succeed in exchanging their undesirable workers for more desirable ones. It does not at all deny that a sustained increase in output would induce them to absorb the "undesirable" workers. You do not have to be a high school graduate to sell soap in a department store. But so long as high school graduates can be had, they will be hired first; the drop-outs will go to the end of the line, and remain unemployed. This sort of explanation is especially plausible in the circumstances we now face.

The American economy has sidled along with excessive but not catastrophic unemployment for almost ten years. There has been no deep recession, so there have not been extensive layoffs. With labor markets slack and new jobs hard to find, the number of voluntary quits and job-changes has also stayed fairly low. When unemployment is generated by inadequate growth rates rather than by recession, labor turnover may thus be relatively slow. The natural result is that unemployment is disproportionately heavy among newcomers to the labor force, both young people just out of school and older women seeking work after raising children. This mechanism, together with the relative "desirability" of the better educated and with discrimination against Negroes, seems capable of explaining the observed distribution of unemployment. It gets a little more confirmation with each month that the current upswing lasts. The "imminent" skill shortages fail to appear; the hard core slowly melts; nearly all categories of unemployment dwindle; employment increases most rapidly among those groups with the highest unemployment rates. And if, as many observers fear, by the end of the year the growth of aggregate output slows down to about the growth of capacity and the unemployment rate stops falling, I shall take that as further confirmation, the hard way.

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# Men and machines in perspective

ROBERT L. HEILBRONER

It is curious that technological unemployment has always been the intellectual stepchild of capitalism. One would think that nothing would have so interested economists as the economic impact – and above all, the impact on labor – of machines that suddenly alter the speed, the technical requirements, the human relationships, not to mention the end products, of the economic process. Instead, a consideration of technology in any guise has always made economists uncomfortable, and the thought of technology as a labor-affecting force has simply been too much for most of them. There was Marx, of course, who put technology and its labor-displacing effects into the very center of his diagnosis of capitalism, but no one paid any attention to him. Alfred Marshall and John Maynard Keynes, the two greatest economists of mature capitalism, managed to conduct their inquiries without admitting the subject of technology at all. Only in the underworld of economic thought, in the intellectual descendents of the Luddites, do we find a persisting concern with machines as things that do man's work and thereby lessen the need for his labor. But to the great majority of recognized economists these rude doubts remained as inadmissable as they were unexamined.

In itself, this is no doubt a subject for fruitful investigation – the problems society avoids are usually significant. But the long neglect of technology as a labor-displacing force also has an immediate relevance for our subject. It helps explain why automation catches

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us so intellectually unprepared. The necessary empirical data concerning technology, the essential statistical indicators of its impact on employment, simply do not exist, or are only now being hurriedly assembled. More important, in regard to the most elementary problems of theory – which is to say, in regard to the question of how to think about the question of technological unemployment – we find the same fuzzy notions, or the same dogmatic assertions masquerading as thought, that thirty-five years ago characterized our first attempts to explain the Great Depression.

So it is not surprising that the debate on automation is something less than a model of clarity. On the one hand we have the bland assurances of the Establishment that technological unemployment has never been more than a "frictional" problem for the economy; on the other hand, organizations with chilling names like "cyberculture" schedule the arrival of Total Unemployment for the day after tomorrow. In this fruitless exchange, two things are essentially missing. First, we lack some very important knowledge, the nature of which I will have a chance to point out as we go along. Second, we lack some kind of framework, compounded of history and theory, into which to put the current debate. It is the latter that I shall try to present in this article.

## I

I wish to begin with a very simple proposition, although in our present state of unknowledge, it must be offered in a tentative rather than an assertive tone. It is that inventions and innovations have not entered society at random, shedding their advantages or disadvantages indifferently over all industries or individuals. On the contrary, I believe that technology enters our kind of society in a systematic fashion, and that there is a discoverable pattern behind its appearance, now in this area of social effort, and now in that particular area.

Very simply, the pattern is due to the enormous magnetic pull exerted by an existing economic structure on the minds of men who are concerned with making and applying inventions and innovations. There is, of course, a large element of freedom, of chance, of individual adventure, in the advance of scientific understanding. But when it comes to the incorporation of the existing body of scientific knowledge into daily work in a society activated by private gain, I suspect that attention and effort will naturally be concentrated on those tasks and challenges that predominate at a given time. To put it as concretely as possible, I imagine that in a largely agricultural society, the focus of technical inventiveness would naturally fall on agricultural processes, that in a society turning toward industrialism, the focus would be spontaneously directed toward machines having to do with manufacture, etc. Needless to say, the pace and direction of technological change will be powerfully influenced by other factors, such as the relative dearness of labor or capital; but, other things

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equal, as the economist says, I would think that the changing nature of the social task itself will serve as a major guide.

Is this proposition empirically demonstrable? Here our woeful lack of systematic knowledge begins to get in our way. Yet I think one can discern a grand sequence of inventive endeavor in the United States, with, needless to say, many overlaps and anachronisms. The sequence begins, chronologically as well as in terms of concentration of effort, with agriculture. For all the early improvements in textile machinery, or the introduction of railroads and steamships, I think it is fair to say that the sector of the economy that initially experienced the grand impulse of technology was basic farming. First the epochal cotton gin, then the iron plow, the harrow and the seed drill, then the mechanical reaper, and all along the way the gradual substitution of horsepower for manpower – taken in its entirety, this was nothing less than a technological revolution which was in full force by the 1860's. It was not only the quality, but the quantity of capital, that worked its dynamic effect. By 1900 more money was invested in the reaper than in any other machine in the world save only the steam engine, and by 1960 the average worker in agriculture employed more capital ($21,300) than the average worker in manufacturing ($15,900).

The table below gives us some idea of the enormous increase in the productivity of farm labor that resulted from this revolution:

Man-hour Requirements per Acre

| | *1800* | *1840* | *1880* | *1920* | *1960* |
|---|---|---|---|---|---|
| corn | 86 | 69 | 46 | 33 | 10 |
| wheat | 56 | 35 | 20 | 12 | 4 |
| cotton | 185 | 135 | 119 | 96 | 66 |

Source: W. D. Rasmussen, "The Impact of Technological Change on American Agriculture", *Journal of Economic History*, Dec. 1962

The statistics clearly bespeak the long history of agricultural improvement. By contrast, in the field of manufacturing – or rather, in that congeries of tasks associated with handling, shaping, assembling, processing and transporting goods – the main entrance of technology begins rather later, around the time of the Civil War. As late as 1869, for instance, nearly half of the mechanical power in manufacturing still came from water wheels rather than steam engines. Although immensely important inventions and improvements begin to revolutionize some aspects of manufacturing early in the 19th century, the great transformation of industrial production does not gain momentum until the latter half of the 19th century, reaching its climax in the mass production techniques of the 20th century.

There is an important consequence to this wave-like succession of technological salients of advance. It is that the productivity of all workers in all sectors and echelons does not rise straight across the board, like a well-drilled parade of soldiers, but changes in uneven fashion as different areas of work are successively affected by technology.

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We have already seen the improvement in agricultural man-hour productivity which we could trace back to the beginning of the 19th century. The statistics of manufacturing are less satisfactory, partly of course because many of the manufacturing processes do not extend as far back in time as do basic agricultural tasks. Hence in following the general trend of manufacturing productivity somewhat more impressionistic estimates have to suffice. We know, for instance, that a man in a pulp and paper plant in the late 1950's produced about three times as much output in an hour as did his predecessor after World War I; that a worker in a steel plant over the same period quadrupled his hourly output of steel; that a worker in a cigarette factory increased his or her production by six times. Taking "manufactures" generally, it is usually estimated that an average worker today produces about five or six times as much, per unit of time, as did his great-great grandfather at the time of the Civil War.

## II

To these essentially familiar statistics we must now add a third set of figures having to do with the impact of technology on productivity — or rather, in the absence of reliable statistics, we must add our impressions as to what the figures would be if they existed. These concern a group of occupations distinct from those of farm and "factory", that we will label "office" and "service" work, meaning by this a wide variety of jobs that administer, supervise, service, instruct and cater to society.

Some of these employments, and the roughly-estimated numbers of people who are engaged in them can be seen below:

*"Office and "service" occupations, 1962*

| | |
|---|---|
| Teachers, incl. college | 1,900,000 |
| Salesmen and salesclerks | 3,700,000 |
| Nonfarm managers and proprietors | 5,400,000 |
| Bookkeepers | 900,000 |
| Waiters, waitresses, kitchen help (not private household) | 1,100,000 |
| Cooks (not private household) | 600,000 |
| Protective service workers | 700,000 |
| Clergymen | 200,000 |
| Lawyers | 200,000 |
| Doctors and dentists | 300,000 |
| Hospital attendants | 400,000 |
| Cashiers | 500,000 |
| Secretaries, stenos, typists | 2,300,000 |
| Nurses | 600,000 |

This is of course only a sampling of the various kinds of activities I have in mind. I have omitted 100,000 editors and reporters, 300,000 musicians, 100,000 social workers, 350,000 insurance agents,

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200,000 newsboys, and so on. In all, perhaps 35 million people have some kind of nonfarm, nonfactory public or private job.

Whatever shortages of data troubled us before vex us to an even higher degree here. By and large there are no estimates of the increased productivity of clerks and barbers, administrators and janitors over the years. Hence we are perforce reduced to very uncertain evidence when we try to measure the impact of technology on this last group of occupations. But the overwhelming – and I think trustworthy – impression one gets is that the manhour productivity of these jobs has not risen to anything like the extent of improvement in farm and "factory" work.

There are, to be sure, technological changes that have appreciably – even very greatly – raised the level of particular office employments. One thinks of the plane and the automobile that have added cubits to the stature of the traveling salesman, the telephone that has vastly extended the productivity of all supervisory tasks, the office adding machine that has helped the bookkeeper, and the indispensable typewriter. These improvements notwithstanding, one cannot easily establish a steady upward march of productivity in the office as one does in the factory. Manhour productivity indices for "distribution," for instance, shows a rise of only one-sixth that of manufacturing between 1900 and 1929. Many occupations – waiters, for instance – are virtually the same today as a hundred years ago, not to say worse. And as every businessman will testify, what eats up costs these days is not so much production as "overhead". What this means, of course, is that technology has not yet entered the "office" to nearly the degree that it has overrun farm and factory.

## III

We will return shortly to the significance of this laggard area of technological advance. First, however, we must add an important economic generalization to our general historic schema. It is that the impact of technology on output, when it is introduced into a new industry or sector, is not alone determined by the new physical capabilities of production stemming from the new techniques. Rather, it is determined by the interplay of these new capabilities with the stern economic realities of demand.

An illustration may make this clearer. Suppose we have an industry producing, let us say, clothespins. Presumably it is already producing as many clothespins with its existing techniques as consumers will buy at going prices. Now suppose that a technological improvement doubles the productivity of each man, thereby halving the cost of clothespins (we will forget about the cost of the new machines). Clearly, unless sales increase we will not be able to employ the former labor force. But will sales increase? That hinges entirely on the response – or "elasticity" – of demand when clothespin prices are now cut. If clothespin prices are cut in half, and as a result consumers buy three times as many pins as before, employment

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in the industry will rise. But if they only buy 50 percent more than before the price cut, employment will fall.

This little excursion into elementary economics is necessary if we are now to proceed from our general discussion of technological entry to its effect on employment. For everything, it must now be clear, depends on the responsiveness of demand for the various kinds of goods that technology makes available. In the case of farm products, for instance, demand has always been notoriously *in*elastic — that is, very unresponsive to price cuts. Hence as agricultural output steadily expanded throughout the 19th century, it met a wall of consumer indifference. The desire to buy wheat and corn at prevailing prices did not by any matter of means keep pace with the enlarged capacity to produce them, with the result that employment on the farm fell precipitously. At the beginning of the 19th century perhaps 75 or 80 percent of the labor force was engaged in farm tasks. By the end of the century this had been cut to 30 percent. By mid-20th century it was down to 8 percent.

Thus the entry of technology into a sector where demand was relatively unresponsive forced an exodus of labor into other areas — which is to say, into the city and its "factory" jobs. And fortunately, at least in the beginning and middle of the 19th century, the demand for factory products was much more elastic than that for farm goods. Even though individual productivity was steadily rising in "factory" work throughout the 19th century, particularly after the Civil War, the demand for manufactured and processed goods was sufficiently buoyant so that employment could also steadily expand. In the year 1800 "factory" occupations accounted for perhaps only 5 to 10 percent of the nation's labor distribution, but by 1900 they constituted a full 37 percent.

Thereafter, a somewhat different constellation of forces seems to have prevailed. Perhaps the elasticity of consumer demand for further manufactures began to fall; perhaps the productivity of "factory" work rose at an accelerated rate. Whatever the cause, the percentage of the nation's work force engaged in "factory" jobs remained fairly constant. By 1960 only 39 percent of the labor force was in manufacturing, mining, transportation, utilities, construction, etc., compared with the 37 percent at the turn of the century. And this much more sluggish rate of growth is given further significance when we recall that weekly hours of work had been reduced from 60 in 1900 to 40 in 1960. Were it not for this fall in hours of work per week — in other words, had we combined the new technology with workmen who labored the long week of the 1900s — the volume of employment needed to satisfy the demands for "factory" goods would have fallen sharply. Indeed, from 1957 to 1962, despite rising output, there *was* a steady gradual shrinkage of 100,000 jobs in manufacturing, and whereas this trend has recently been reversed, there continues to be a fall in employment in mining and utilities.

Meanwhile, what of the labor that was inexorably being pushed off the farm all through the 20th century? Since the growth of "fac-

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tory" occupations was slowing down, clearly employment had to be provided on some other front. And so it was, by the wide range of "office" and "service" jobs we have already noticed. Here, not only was demand elastic for the services they performed but – and this is the crucial point of the whole analysis – the productivity of these occupations had not risen greatly. As a result, the rising demand for the output of "office work" resulted in a very large rise in the number of people hired to perform this work. In 1900 only a quarter of the labor force was in the spectrum of the service, administrative and other functions embraced by this last sector of employment. By 1965 over 50 percent of the labor force had entered these jobs, thanks mainly to the fact that technology had not yet duplicated their tasks as it had in farm and factory labor.

## IV

So much by way of background. I move now to a suggestion that may put the problem of automation into the perspective of theory and history that we have sought. It is that technology is belatedly gathering momentum in the direction of "office" and "service" tasks, thereby invading those sheltered precincts of the economy in which labor has not yet been exposed to the full competition of machinery.

My suggestion – it cannot be more than that until we know more about the nature of contemporary technology and its points of application throughout the economy – puts the concern about "automation" into a somewhat different focus than is customary. Ben Seligman, for example, in *Dissent* (Winter, 1965) lists an impressive number of instances where the new technology of computers, feedback systems, sensory equipment, etc., has displaced labor, much of it "factory" labor. I do not question the validity of his instances, but I do question whether dollar for dollar this new factory equipment is any more labor-displacing than "old-fashioned" equipment such as fork-lift trucks, overhead conveyors, high-speed machinery, and so on. I must confess that I can neither see any reason *a priori* why a dollar's worth of "automation" equipment should replace any more labor than a dollar's worth of less fancy mechanical equipment, nor can I, as yet, find any statistical evidence that manufacturing productivity is rising faster today than over a number of periods in the past – for instance, from 1920 to 1924.

In other words, I do not see the threat of automation in any unusual characteristics possessed by modern day "factory" technology. What I *do* suspect, on the other hand, is that the new technology is threatening a whole new group of skills – the sorting, filing, checking, calculating, remembering, comparing, okaying skills – that are the special preserve of the office worker. Moreover, it is not just complicated computers that are threatening to take over functions in this hitherto sheltered area of work, although no doubt the new technology is conducive to more complex administrative

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tasks. Very simple machines may also invade the field — vending machines, or organizational innovations such as discount houses, or zip code numbers that speed mail sorting. To put it differently, it seems to me that office and service work is now the area that cries out to be rationalized, simplified, and abridged by machinery, just as did farm work in the early 1800's and factory work later in the 19th century. In an economy where effort usually follows incentive, it would be unusual if technology did not turn in this beckoning direction.

## V

How severe a challenge does this pose to the economic system? The answer, if we assume that technology is in fact moving in the direction I suggest, is not a simple one. It will depend on the conjunctions of many forces which buffer or aggravate the displacement effect of technology alone.

One aggravating factor will be the growth in the labor supply itself. Each year sees a small but significant increase in the number of married women looking for work, whether lured by the prospect of a two-income household, by the lessened chores of housework, or by "The Feminine Mystique." Even more important will be the coming-of-age of the bumper crops of war babies, now about to graduate from high school and college. All in all, the number of job-seekers is slated to rise alarmingly over the coming years. From 1947 to 1957 the number of people within the "working-age" brackets of 15 to 65 increased by 8.3 million. In the six years between 1964 and 1970 it will rise by nearly *fifteen* million. Thus the changing composition of the labor force will crowd the labor markets and intensify the struggle for jobs (and the failure-rate in finding jobs) for reasons having nothing to do with automation.

A second factor bearing on unemployment is our over-all rate of economic expansion. In *The Price of Prosperity,* Peter Bernstein has reminded us that our current rate of economic growth of about 4 percent a year is a third higher than our long-run "secular" rate of growth. He points out that even if the workweek is cut to 37.5 hours, and if technological improvements come no faster than in the recent past, our unemployment could reach 10 million people by 1970, should our rate of growth fall back to the "norm" of 3 percent. It might even touch 15 millions, if the rate reverted to the 2.5 percent growth figure of the 1957-1960 era.

The remedy, says Bernstein and most other economists, is to use every device to make sure that our growth does not slacken, but rather increases. But the matter is not quite so simple as that. For if our rate of growth is accelerated by a burst of labor-saving technology, we could experience both a higher rate of output *and* a higher rate of unemployment. There is, of course, always the chance and the hope that our growth could be hastened by the emergence of a great new employment-generating industry, comparable to the

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auto industry in the 1910's and 1920's. All one can say, when this possibility is raised, is that such an industry is not now visible, and that expansion in private output since World War II — impressive both in volume and in new kinds of goods — has not been very conducive to an expansion of employment. According to no less an authority than Secretary of Labor Willard Wirtz, of the 4 million new full-time jobs created between 1947 and 1963, *only 5 percent* originated in the private sector.

There remains another general solution, largely advocated by the labor movement — the contraction of the work week. The rationale is simple and incontestable. By shortening the work week (through the imposition of overtime rates after, say, 30 hours of work), employers are induced to spread the existing volume of work among more people. Or they may simply throttle back their output to 30 hours, thereby making it more attractive for a new plant to be built to cater to the market.

There can be no doubt that the shortening of the work week has been a principal method of absorbing the "surplus productivity" of machines, and there can be no doubt that it will continue to constitute a main avenue of social adjustment. After all, the whole purpose of the introduction of technology is to enable men to work less hard, or at least to enable them to transfer their labor from unpleasant to pleasant tasks. The trouble with adjustments in hours is that they require the cooperation of labor as regards the cost of the new shorter work week. If we suppose that the work-week were suddenly reduced to 20 hours, we can easily see that employers would be willing to hire twice as many workers as they now have — provided that the men who did the first twenty hours of work did not demand as much pay as they formerly got for 40 hours.

The adjustment of the work week, in other words, depends on how much of a cut in wages (if any) labor is willing to take, and on how a rise in labor costs will affect employers' willingness to expand their work forces (or intensify their search for labor-saving machinery). It is impossible to make firm predictions about any side of this problem, other than that the issue itself is not likely to be rapidly resolved. Ten or twenty years from now we may have eased ourselves into a "normal" work week of 30 or even fewer hours, but during the next crucial decade it seems fruitless to look to this source for a major alleviation of the unemployment issue.

This seems to leave, as the main buffering force during those years, and indeed for many years thereafter, the deliberate use of public employment-generating or spreading policies. There are a number of possibilities that might be tried. For instance, the government could try to reduce the number of people looking for work by subsidizing young people to remain in school and college. Another policy along similar lines would encourage earlier voluntary retirement by lowering the Social Security retirement age and raising benefits. A much more drastic course would be the use of discriminatory taxation against two-income families to hold back the growth

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of the female labor force, although this would be harder to defend on social grounds. Turning the coin over, it should also be possible for government to create employment in the private sector – for instance, by giving tax benefits to employers who expand their labor forces, or in certain carefully controlled situations by permitting a reduction of the minimum wage, paying the lost income differential directly to the employees concerned.

But I suspect that the main line of defense against unemployment, whether caused by the incursion of technology or by the burgeoning of the labor force, will have to come from a different direction. What is needed above all is a new expansive group of employments to offer the same absorptive cushion once given by office and service jobs. And if this is the objective, it is not difficult to know where to look to find such employments. We have merely to ask ourselves: what tasks in society are clearly and admittedly undermanned? The answer is provided by every city, in its shortage of adequate housing, its unbeautified and ill-maintained streets and parks, its under-protected citizens, under-educated children, under-cared-for young and old and sick. The trouble is, of course, that all these employments, the need for which seems incontestable, require for their realization vast new funds for the public or private philanthropic agencies if they are to be tomorrow's employers of today's unemployed. If those funds are to be sufficient to rebuild the warrens of our cities, and to offer good work to the five to ten million who seem the minimal number of the otherwise unemployed, what is needed is nothing less than a whole new attitude toward the appropriate public-private mix for the peace-time economy.

There will be difficulty enough in creating such a new attitude in time to meet the inrush of technology and the pressure of the growing labor force. Yet in this essay that covers so much ground, albeit so casually, it must be admitted that even this necessary redirection of social effort is only a palliative. In the end, as machines continue to invade society, duplicating greater and greater numbers of social tasks, it is human labor itself – at least, as we now think of "labor" – that is gradually rendered redundant. The underworld of economic thought, where wish and fantasy often take the place of thought and fact, is nonetheless right in its basic premonitions. The machine does challenge man, mechanical energies do replace human energies, the harnessing of nature does imply the releasing of humanity. The question is – and it is not too early to ask it, even though the answers be only visions for the future – for what is it to be released?

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# The permanent professors: a modest proposal

ROBERT A. NISBET

Although tenure is widely regarded as essential to the idea of the university, I would like to suggest it is far from certain that such is the case. Tenure differs sharply from academic freedom in this respect. A university worthy of the name is simply unimaginable apart from a broad and fully protected policy of freedom for each faculty member (tenure and non-tenure alike) to teach, write, and advise without interference from within or outside the university in all matters germane to his academic competence. Whatever qualifications of this right may exist, they are established by the corporate faculty itself, not by the administration or the public. More, it is, today at least, the very essence of academic freedom that a faculty member's views on matters outside his stated professional competence – however shocking these views may be, however suggestive *prima facie* of want of ordinary intelligence or moral responsibility – shall not be held against him when he is being considered for retention or promotion.

Academic freedom, so conceived, justifies itself not by what it grants the individual but by what it does for the university. We have learned that it is absolutely necessary to the search for, and the communication of, knowledge. It is an essential attribute of the university; not a special privilege of the individual.

Can the same be said for academic tenure? If the university is to be regarded as a center within which the governing criteria are those of intellect, given visible sign by continuing creativeness in

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study or classroom, should there be any limitation on these criteria, even those provided by a man's age, rank, or length of service?

The case for tenure, if there is one, must be made to rest upon what it does for the university, not upon a claim of special privilege for a class of individuals who form today but one part of the larger corps of the creative and intellectually productive in society. Tenure must be divorced from mere gratitude for prior services rendered. Such gratitude can be expressed in other ways — by honorary degrees, plaques, professorships named after the meritorious, even money payments. Tenure must also be divorced from need by the individual and his family for financial security, for this is a universal need in society, not one confined to professors. It could be met precisely as it is met in other areas of the economy — by unemployment insurance, by severance pay, by more liberal pension provisions, and by the varied modes of job security which exist in law offices, newspapers, the theatre, industry, and other parts of our diverse and creative society.

It is surely possible to reward the professor, to honor him, and to reinforce his security without, however, committing the university to his permanent tenure, thereby crippling departmental teaching and research programs, and stupefying generations of students, which is what happens all too often today. If academic tenure is to be justified, it must be done in terms that relate to some unique role occupied by academic man in society; a role demonstrably different from the roles held by all the non-academic professionals and intellectuals who also serve the cause of knowledge and culture but are denied anything resembling tenure. Once, such justification would have been easy. Today, frankly, it is not.

## 2.

Few outside the academy are likely to appreciate what is fully involved today in academic tenure as it exists in practice. They may suppose it is simply the academic equivalent of the type of job security that exists in, say, General Motors, the Bureau of the Budget, or the Los Angeles Dodgers. (I deliberately select three organizations that the contemporary university, in one or other of its phases, comes more and more to resemble. The first two require no explanation, but the last-named may. I am referring to the now common quest in professional sports and the university for stars and superstars whose names and salaries are the source of as much pride and publicity to faculties as to trustees and club owners.) In each of these a man is guaranteed his job so long as he competently fulfills its specification, whether this be installing carburetors, performing an audit, or playing second base, and he is not likely to be dismissed or demoted on grounds extraneous to his competence except possibly for commission of felony or flagrant insubordination.

Any supposition that this describes academic tenure is, however, pure illusion. Tenure as we find it in the university today is as nearly

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impregnable a form of differential privilege as the mind of man has ever devised. Once attained by an individual, it is, on the evidence, proof against virtually any degree of moral obliquity, mental deterioration, or academic torpor. Tenure in the academy is more than economic security. It cannot even be understood in economic terms. One would have to go to the realm of religion for its exact counterpart in its blend of mystique and the sacred.

Most of us on university faculties rationalize the guilt that occasionally assails our consciences – as we look at our friends who do not possess tenure but who also contribute to scholarship, culture, and creative imagination – by our imagining of the dread spectacle of Administration ever ready to fire amiable, elderly scholars, each cast in the role of Mr. Chips, deeply devoted to, and loved by, his students, unworldly in manner, probably a utopian socialist in politics, unfitted for any other type of occupation, long sworn to the scholar's role and poverty, and therefore utterly helpless, were he to be dismissed.

This individual, as I shall emphasize later, hasn't existed on a major university campus for at least two decades, but he is, so to speak, our Folk Hero. It is his abiding reality in our minds that gives us the strength to insist upon tenure for ourselves when our friends in the theatre, in journalism, in the foundations, and in industrial or government laboratories do not have it. I will come back to this lovely ghost later. For the moment, I want only to emphasize that did our Folk Hero in fact exist on the campus today, administrators and trustees would surround him in near rapture – socialist convictions and all – for he makes *them* no trouble and he would represent the embodiment or fulfillment of an old image of teaching and scholarship that they like to discuss nostalgically in their offices and clubs. Moreover he would be immobile; hence not a replacement problem. The real enemies that this departed Hero would face, were he to be resurrected, would be not administrators but colleagues. The Grand Inquisitor would be, not a dean or president, but a faculty associate, ferociously productive and unable to suffer amiable age and socialist dreams gladly – not when their presence threatens to cut off a million dollar grant from the National Institute of Mental Health.

But let us return to the reality of tenure. What is it? To begin with, it is granted to an academic person when he reaches a certain rank (usually associate professor, irrespective of age) or has served a certain number of years in the institution (ranging across the country from three to eight). Far from fearing a man's acquisition of tenure, administrations and faculties today grant it ever more freely as bait for appointment or retention. What a tenure code or tradition says (on the evidence, *unwritten* tenure systems are stouter than those written – for here, as elsewhere in life, words can be hostages) is innocuous enough. Once granted, tenure shall not be abrogated except on good cause and after equitable and duly prescribed hearing by the man's colleagues. There is surely nothing wrong with this.

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One's only thought, viewing it abstractly, is: why not the same for *all* members of the faculty? On what basis other than "good cause" and with the assent of those faculty qualified to judge, would even a first-year instructor be dismissed?

"Good cause" is today more and more often left undefined, and this, it must be emphasized, is at the behest of faculties themselves. Historically it meant – and in some places is still specified as – "moral turpitude", "gross insubordination" and "mental or academic incompetence". The first two have a quaint sound today and their decreasing appearance in published statements is testimony to the increasing embarrassment most of us feel in trying to imagine, much less define, them in a degree that would today warrant dismissal of even *non*-tenure faculty.

Some years ago an able faculty member, who held tenure rank, was dismissed by his university when he confessed to, and was found guilty by the Superior Court of, a felony – repeated thefts over a period of years of substantial amounts of property from nearby wealthy homes. His dismissal produced no outcry from the faculty. From the Court he received a ten year suspended sentence – which could easily have been synchronized to the demands of his professorship. Today we would ask: why, therefore, was he dismissed? He had been found guilty of no *academic* wrong. He was a fine teacher, good scholar, and impeccable in moral behavior on the campus. I venture the guess that, in many institutions today, given the same circumstances, the outcry from students and faculty would be immediate, and that under the charge of "double jeopardy" the institution would be hard put to dismiss a man on whom neither the label of intellectual incompetence nor insubordination or *academic* moral turpitude could be accurately placed. And I am inclined to think such a position would be, today, defensible.

Once, many years ago, the university stood *in loco parentis* (whatever that really meant) to its students, and moral probity could therefore be made a binding requirement of continuing faculty appointment. But today, by common assent of students, faculty, and, more slowly but surely, parents, it does not stand in this role, and it may therefore be properly asked: what does a man's status before the law or his extra-mural morality have to do with his eligibility to teach? Homosexuality is the commonest basis today of dismissal on the ground of moral turpitude, but even here (and especially in light of the ever-rising status that modern literature has given the homosexual) it is hard to suppose that, except in circumstances of extreme repugnance to academic sensibility – involving, I should guess, chronic forays on unwilling students – an otherwise acceptable faculty member (*with or without tenure*) would be dismissed on this count. Not, certainly, without strong opposition of the faculty. For, again, the question could be asked: what, precisely, in an institution devoted strictly to the discovery and teaching of *ideas*, does a man's "moral turpitude" have to do with his appointment?

If moral turpitude has become a virtually extinct ground of dis-

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missal in the university, what about that other hoary ground, "insubordination"? It is hard to know what this word means in practice. The university, as President Robert Gordon Sproul of the University of California used to say, differs from all other corporate institutions in that no one, not even the president, ever actually gives orders. For the university does not have a very clear-cut chain of command. Sound academic tradition, with large grants of autonomy to faculty committees, insures this. It is impossible for me to imagine any act of "insubordination" by an individual at the present time, against *either* faculty or administration, where dismissal would not predictably be followed by powerful dissent. Admittedly, ways can be, and usually are, found, most often by professors themselves, whereby, through processes of harassment, ostracism, repeated recommendations against salary increases, extra-microscopic scrutiny of academic record, etc., life for the insubordinate or fractious faculty member can be made so unattractive that he tends to leave — with warm recommendations, naturally, from his colleagues — for another job. The point is, however, that "insubordination" like "moral turpitude" is a vanishing concept in tenure codes. For quite apart from the antique flavor of each, nothing is said that is not today equally relevant to the status of the non-tenured. There is, after all, no more legitimacy to a dismissal of the non-tenured on these grounds than there is of the tenured. Or, putting it in reverse, if we are justified in dismissing the instructor or assistant professor for these offenses, then we are equally justified in dismissing the full professor.

Today the only ground of dismissal of the tenured that has ready and instantaneous acquiescence from the faculty is that of mental or academic incompetence. Never, in a quarter of a century of university teaching, have I ever heard dissent from a faculty member from this proposition: no man's job, however securely rooted in past achievement or glory, or in whatever number of years of service, should be proof against manifest intellectual incompetence. *But neither, in the same quarter of a century, involving association with literally thousands of faculty members, have I ever seen a single case in which a tenure faculty member was in fact dismissed or demoted on grounds of academic incompetence or mental deterioration.* The nearest to an instance in my own experience is that of a physical scientist in a distinguished department some twenty years ago, whose academic incompetence and mental frivolity had become so appallingly evident, so embarrassing and crippling to colleagues and students, that the trustees bought up the ten-year remainder of the man's tenure (involving a very substantial sum of money, for he was a fairly high-salaried full professor), thus permitting him, with his own signed concurrence, to resign.

Perhaps this was indeed the best way. As I said earlier, the least important aspect of the consequence of tenure is financial. Its crime is not what it costs in dollars but in creativeness. How often does not one hear anguished reports from friends in adjacent departments, or in other colleges or universities, of the intellectual blight caused

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by a single man, year after year, in his association with students and faculty? But only the naive or non-academic would ask the obvious question.

### 3.

Although the rise of tenure is to be seen, historically, as a part of the wider movement of worker security that began in the United States in the early part of the century, its justification, both then and since, has been largely built around the claimed uniqueness of the academic function. So unique is the university, the argument goes, that the person who makes it his career – who deliberately consecrates himself to it in preference to other, better paid and more prestigious opportunities for self and family – is stuck with it. His commitment – like that of the clergyman – has made him immobile. Once, there was a great deal of truth in this statement.

Down until about the end of the Second World War, the university had two central functions: teaching and scholarship. A gulf existed between the university and the rest of society that was seldom crossed, occupationally, by academic man. He had, as it were, a trained incapacity for performing any of society's other jobs, whether in industry or government.

Scholarship and teaching were the professor's functions and in each lay a fragility that required special protection. A work of scholarship, typically, required years of preparation, resulting from the need for bibliographic research, thoroughness, and specialized depth of inquiry. The product did not often become visible through publication. "Productivity" indeed, as a word, was still confined to the assembly lines of factories. It was not brilliance that was sought after in scholarship, but thoroughness, soundness, and mastery. I do not wish to glorify. A great deal of this scholarship was dull, unimaginative, and, in the long run, useless even to scholars. The case might even be made that it sank eventually from its own leaden weight. There is much reason to suppose that in the humanities influences outside the academy – of such men as T. S. Eliot, Edmund Wilson, R. P. Blackmur – were required to revitalize what had threatened to become stifled. None of this, however, is to the point. What is to the point is that, good or bad, scholarship was academic man's unique mode of expressing himself in print; it was not something that non-scholars could, or were expected to, appreciate; it required years of preparation and, by any assessment, demanded the security of tenure for the man willing to undertake it. The wall then between what professors wrote and what non-academic intellectuals wrote was very nearly an impenetrable one.

Equally fragile was the teaching role, which, even in the great universities was regarded, down until a decade or two ago, as more fundamental, more truly identifying of academic man than even scholarship. Teaching was fragile for a number of reasons. First, there was the deep-seated conviction in this country, largely as the result of

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the American system of lay boards of trustees, that the professor was an employee, literally a hireling, and hence as subject to the wishes of his "employers" as anyone who worked for a railroad or department store. It is not easy today to summon up an accurate vision of how powerful trustees, individually and severally, once were in the minute decisions of colleges and universities – or how fundamentally indifferent they were to those values of teaching and scholarship that had come to this country at the end of the nineteenth century from Europe.

In addition, there was the fragility of academic role that came from a professor's commitment to *campus*. The academic world was composed exclusively of "locals" in contrast to "cosmopolitans". Characteristically, a man's status and his advancement depended far more upon what he was in the eyes of those immediately around him – colleagues, administration, and students – than upon whatever reputation he may have acquired in national or professional terms. Transfers were, to be sure, not unknown, but even through the nineteen thirties, so vivid was a professor's "local" identity in contrast to his "professional," that such transfers, once a man became established, occasioned surprise. There may have been some virtue in this localism, but it contained also the insecurity that is always the price of immobility.

Even less was the likelihood of a professor shifting to a non-academic occupation, even temporarily. To suppose that an academic man – whether scientist, social scientist, or humanist – might be able to shift from academy to corporation, government, or agriculture, as he so plainly does today, would have been to suppose the impossible. Did anyone imagine that practical men of business or government could conceivably profit from academic advice? Consulting, even for the physical scientist, was negligible as a source of income and altogether absent in the other disciplines.

Finally, the very image of academic man in the public mind contributed to his immobility and his utter dependence upon the academic institution. This image was for the most part that of an unworldly, impractical, idealistic individual, lost when it came to the responsibilities of administration, budgets, and management of affairs outside classroom or study. Contributing to the uniqueness of the image was the fact that, although the professor's income was small, his social status was vaguely that of the gentleman of leisure. To conceive of him as a man of affairs, as consultant and advisor to corporations, professional associations, and departments of government was fanciful. It is nearly as easy to imagine, today, a clergyman taking appointment in State or Defense, in General Electric or the Auto Workers Union, as it once was to imagine an academic man shifting regularly to these and many other non-academic pursuits. And with the possible exception of the clergyman – with whom on so many counts the professor was once comparable – no social type was so immobile and hence occupationally dependent as was academic man until a couple of decades ago in this country.

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**4.**

But this picture has changed substantially. There is no longer uniqueness, only moderate and diminishing differentness, in the role of the academic man. Through vast changes in the nature of the university and in what the academic man typically and actually does today – paralleled by the immense changes that have taken place in the non-academic culture of the United States, witnessed (for our purposes) by the extraordinary proliferation of research, consultative, and intellectually and artistically creative jobs in all parts of the economy – academic man has become ever more like, at the one extreme, businessmen and administrators and, at the other, the non-academic intellectuals.

Consider the latter. Nothing is more striking than the narrowing of the gulf that once existed between writers, artists, and journalists outside the academy and those today working within it. I think it would be difficult at the present time, in looking through *Commentary, Partisan Review*, the *New York Review of Books, The Hudson Review*, and other prestige-journals to decide, simply on the basis of subject and style, which were the academic and which the non-academic writers. The decision would once have been simple. In such journals, had they existed at the beginning of the century, there would have been few, if any, academic contributors. In the first place academic thought and style would not often have passed muster (one recalls here the experiences of editors like Albert Jay Nock and H. L. Mencken with academics in the twenties). The few who could have passed muster would then have had the frightful experience of justifying their divagations to shocked department chairmen and colleagues.

Admittedly, non-academic literary intellectuals today are still less likely to author substantial, deeply researched volumes on minor poets or major influences; they require the income and nourishment of prestige that more frequent publication insures. But the difference is offset, I should say, by the fact that fewer academics are writing those either; for academic intellectuals also increasingly require the reinforcement to ego and competitive position that frequent publication insures, and, beyond this, academic humanists draw a larger measure of prestige from publishing in, say, *Partisan Review* than in *PMLA*.

There is the further fact that the context of the humanities in the universities is rapidly changing. It is becoming more like the sciences. Within the past ten years it, too, has become institute-infested, center-grown, and the not very secret dream of most humanists of becoming the director of a Center for Renaissance Studies is nearly as widespread as its counterpart in other areas. Once a Federal foundation for the humanities appears – and it is as certain as anything I can think of, if only to allay restlessness in this final fastness of academic individualism – the conversion will have become as complete as in the sciences. Institutes and centers, to receive huge Federal grants, will mushroom.

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Consider now today's ever more typical scientist. He is engaged in large-scale research, working on an around-the-calendar basis, housed in special institute or center, equipped with staffs of secretaries formidable enough to frighten away all but foundation executives, with budgets to prepare constantly, grants to apply for, payroll sheets to fill out. Is it not easier to conceive of him as corporate executive or civil servant rather than professor? Add to this his governmental, professional, and industrial consultantships, his membership on national and international committees, his almost ceaseless travel to meetings and conferences, and the traditional image of academic man seems almost as archaic as that of guildsman or cavalryman.

Once the distinction of type between the academic scientist and his industrial or governmental counterpart was striking. Today, changes in all three areas have reduced this to near nullity. For just as business and government have, on the whole, come to grant a larger measure of individual autonomy to scientists working in their laboratories, so academic scientists have voluntarily committed themselves to forms of contract research that sometimes threaten to bring them closer to the norm of their professional colleagues in General Electric or the Department of Agriculture.

What is so evident in the humanities and natural sciences is equally evident in the social sciences. Scholarship, in the old sense of this word, is fast disappearing from what is today known as "the behavioral sciences," leaving in the wake of this disappearance, at one extreme, minds primarily interested in impressionistic analysis or criticism of the social order and, at the other, those engaged in the preparation of reports and surveys in closely-administered centers and institutes or in professional consultantship. At each extreme it becomes ever more difficult to distinguish the academic from the non-academic. Today a Distinguished Service Research Professor in Political Science at a major university can, in subject as well as style, compete (and month after month does compete) with a Walter Lippmann or even a Joseph Alsop or James Reston. And at the other extreme one finds it ever harder to distinguish between what comes out of non-academic centers for the analysis of public opinion, attitudes, purchasing habits, religion, education, government, and what comes from the universities. At social science association meetings, the papers presented by academic and non-academic technicians have become the same — a fact which says as much for the rise in level of the latter as for what has happened to the former.

Why, we are thus led to ask again, should one part of the intellectual corps in modern society be granted the privilege of absolute tenure when, by no stretch of vision or imagination, can it be found in the other, the non-academic, part? Except in the rarest instance, we can no longer claim the kind of precariousness of status that once lay in our uniqueness of type, and the evidence shows we are hardly blind to the near infinity of jobs that today have opened up in all sectors of the economy for the intellectual-technician,

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whether he be chemist or economist, biologist or sociologist, or even historian or philologist. Non-academic intellectuals and professionals live by fee, royalty, salary, and wage, and I assume that there are varying degrees of security attached to income, once a name for excellence has been acquired. But they do not live by tenure.

## 5.

Despite the gradual disappearance of academic man and the conversion of universities into institutions more and more like corporations or government bureaus, there are two possible defenses of tenure, either of which, if valid, would justify continuation of the system.

First, it is said – though not as often as it once was – that tenure has been responsible for the gradual rise in salary levels for university professors over the past half century. This is historically dubious. What is certain is that tenure could be abolished tomorrow, and, given the critical shortage of academic talent – a *persisting* shortage – and the ever greater dependence of society upon the skills and knowledge of our academic technicians and professionals, there would be not the slightest effect registered upon salary scale.

The second, and much more common, assertion has to do with the relation between tenure and academic freedom.

Tenure, we read in countless declarations, is the steel frame of freedom of teaching in the classroom, the solid base of the scholar's exemption from erosive fears of status and livelihood that would otherwise attend his teaching and publication of truths distasteful to dean or president, government or public. "If I didn't have tenure", one hears in familiar refrain, "I wouldn't be free to teach as I want to teach". If this is true, it alone offers all the justification necessary. But is it true? Let us pass over the tens of thousands of public school teachers – at elementary and secondary levels – who assuredly have tenure but who equally assuredly do not have freedom in the classroom. Let us confine ourselves to the university. Several points suggest themselves.

Academic freedom – the freedom of the teacher to teach, the scholar to write – is supported today by a number of forces that did not exist a generation ago. First, and most important, it is supported by the mobility that the competent teacher-scholar has, given the huge increase in job opportunities, academic and non-academic. Second, there is the enhanced respect in which university professors are today held by business and government and, providing the solid base of this respect, the indispensable position that the modern university holds with respect to industrial, military, and national welfare. Indeed, the forces that have made a privileged aristocracy of the professoriat have made for a degree of autonomy, boldness, aggressiveness and occasional arrogance and bad manners that have ever been attributes of recognized aristocracies. Once a Northwestern University trustee could say: "As to what should be taught in political

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science and social science, they [the professors] should promptly and gracefully submit to the determination of the trustees when the latter find it necessary to act . . . If the trustees err it is for the patrons and proprietors, not for the employees, to change either the policy or the personnel of the board". Such a statement made today would embarrass fellow trustees and shock editors, civic officials, and the industrial elite. But it would not shock or shame academics; it would merely break them up in hilarity. It is a mark of where we are at the present time that such a statement would not even be dignified by a student revolt!

The rise in real academic freedom — defined in the terms with which I began this article — has been among the more notable aspects of the history of American culture during the past fifty years. It has been part of, and has drawn its essential support from, external currents of rising tolerance and sophistication that flow from an ever more educated citizenry. However, I will not press that point too hard. It may well be that the threats to academic freedom are today as great as they ever were in this country. Even if they are not, I am inclined to think that, for tactical purposes, it is always well to assume that they are and, accordingly, remain vigilant. The central point here pertains, in any event, to the role of tenure. Is it indeed a bastion of academic freedom?

I see little evidence that it is, or that it should be so regarded, *for the proper sway of academic freedom is faculty-wide, not merely for those holding tenure.* In point of fact, where academic freedom has been abrogated in recent years, as it was at the time the University of California imposed its loyalty oath, the tenure of nearly half the non-signers was no safeguard. And when, after court action, the non-signing faculty members were restored to appointment, those without tenure were restored along with their tenure colleagues. And during an earlier period, when American Legion squads were committing their nuisances upon universities, I recall no instance in my own university — which suffered its due share of the nuisances — in which there was discrimination between tenured and non-tenured in what the University was willing to do to protect its faculty. In one outburst, the American Legion called for the dismissal at Berkeley of an eminent tenured scholar in law and, at the same time, a teaching assistant in economics. Each, I recall, received the same assurance of protection from President Sproul.

Quite apart from the university's changed relation to state and society in these matters, there has been a substantial expansion of academic freedom by faculty members themselves. A half a century ago, the beginning instructor or assistant professor generally had no more freedom than tenure — measured by contemporary standards. Freedom — of teaching, research, and extra-mural utterance — was a state to which he could only aspire; one that would come with seniority. The situation is dramatically different today. We divide a faculty between the tenured and the non-tenured, but we certainly do not divide it — not in any first-rate university — between the aca-

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demically free and unfree. The chemist, sociologist, or philosopher has as much academic freedom, both in principle and in practice, at the beginning of his career as at its zenith. He may, as a tyro, be given more chores and fewer plums, larger teaching loads, scanter office space, smaller research funds, etc., but his academic freedom could hardly be greater than when he takes appointment. Despite a popular supposition that the assistant professor is more likely to be timorous or discreet than his tenured brethren, little that I have seen in a quarter of a century within the University of California, or witnessed from afar in the academic world, suggests that this is the case. Indeed if sheer volubility and intensity of attack upon "the Establishment" be taken as the true measure of academic freedom prevailing in an institution, one could make out a stronger case for the non-tenured — who are younger, and have given fewer hostages to fortune — than the tenured.

## 6.

We have gradually banished from the academic world, over a period of many years, the criteria of ethnicity, political membership, and religious belief, each of which once held all-too-substantial a place in the appointment and retention of faculty members in American universities. On what logical ground, then, do we claim exemption for age and rank, in certain respects the most feudal of all feudal qualities? We pride ourselves, as professors, upon inhabiting a shining fastness of meritocracy in a society that still bears too many elements of traditional privilege. How, then, do we legitimately rationalize a system of privilege which can, and frequently does today, exempt a person of thirty or thirty-five years of age (the lowest age at which I have seen life tenure granted is twenty-seven, to a mathematician) for the rest of his life from the competitive pressures and insecurities to which the rest of the intellectual world is subject?

It is hardly conceivable that the senior university professor would be jobless if let out by his university for reason of loss of the brilliance that had led to his initial appointment. To begin with, there are hundreds of administrative jobs open in the university world. To say that these men are for the most part unsuited to administration, by reason of temperamental disinclination, belies everything I have seen over a period of twenty-five years in teaching and administration. "Scratch a faculty member and you find an administrator" is an aphorism the truth of which has, with only the rarest of exceptions, been made steadily more emphatic in my experience. Administration is (or at least is commonly regarded as being) power; and there is nothing the intellectual, academic or nonacademic, craves more.

Administrative jobs in the universities are, however, only the beginning. There is, as I have before suggested, the whole burgeoning area of industry and government, in each of which there is almost

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child-like pride today in taking onto its public roster university faculty members. In government, one need but think of the voracious needs in the years immediately ahead of the Department of Health, Education, and Welfare. In the multitude and layers of command posts that this single Federal department represents, there must be opportunity for all of the academics who would be dismissed, were tenure to be denied them as further support. And we have said nothing about the other departments and divisions of government – local, state, and federal. Of how many professors might it not be said that, by leaving their university and joining the government, they raised the intellectual level of each?

But to return to the matter of tenure: how, it will be asked, can equitable and accurate decision be made as to the relatively small number of senior members of the academic meritocracy who are to be let out annually in favor of those more brilliant, more productive, non-tenured faculty members who are ever ready to move into the places of their seniors?

Andrew Dickson White, notable early president of Cornell, once proposed, we are told, annual scrutiny of each faculty member by the trustees, with dismissal to follow upon a certain number of negative ballots. Balloting by trustees on a matter in which they could not possibly have informed judgment is certainly a grotesque and repugnant thought. But what about balloting by a man's colleagues? I do not mean balloting in any literal sense, of course, but simply in that of continuing scrutiny by those of his peers who are plainly qualified to judge – those within his institution and those in other institutions who might be engaged as confidential consultants. We do this now for those under consideration for promotion to a tenure position or for initial appointment at highest rank in an institution. And we do this, even with those who possess tenure, when it comes to such matters as promotion from associate to full professor, salary increase, nomination of a colleague to an endowed chair, or to academic-administrative positions such as chairman or dean. Why not also for decisions as to continuation?

We are in part victims of the system of academic promotion that prevails almost universally in this country. When a faculty committee and dean consider the promotion of a man from one rank to another, the question that is now asked is: has this man *earned* it? This is unfortunate, for experience shows that the advance set of mind of both committee and administration tends to be favorable. After all, what person has not done *something* that cannot be said to qualify him for promotion? How much better it would be if we asked the altogether different question: Is there at this time, available in the profession, someone who is superior to the individual under review and who may therefore be appointed to the position for which this individual, through promotion, is being considered? If there is, we appoint; if not, we promote. In a genuine intellectual meritocracy, this would be the criterion in promotion, and it could be equally the criterion of *retention* of faculty – of all faculty.

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A distinguished colleague of mine, who will himself never need the support of tenure and who shares many of my convictions about the evil of the matter, proposes a fundamental modification of the present system. Let us, he says, reaffirm tenure but reverse its application. Grant beginning instructors (who, of all faculty, plainly most need it) tenure of perhaps fifteen years. When, however, they receive promotion to assistant professor, tenure will be reduced to ten years; with advancement to the associate professorship, it will drop to five years. But with the full professorship all tenure ceases, for, by very proof of his right to this exalted rank, he has proved also his capacity, through teaching and scholarship, for retaining it on merit.

There is much to recommend this, but I think the tensions under it would be horrifying. For the stablest element in the academic community — that is, in terms of guarantees of position — would be the instructors and assistant professors. The ferocity with which they now view their elders would be intensified by the feel of power. Possessing tenure, they might well wish to do what tenure faculty now do; decide the fate of the non-tenured. No, it is far better to abolish tenure outright.

The abolition of tenure, it goes without saying, will not be initiated by trustees or administration in this country. The mere prospect would shrivel these bodies, leaving them in helpless panic at the thought of the consequences that would be visited upon them. Nor can it be done by government action, which is normally the liberal and progressive way of attacking privilege in our country. The academic community has become much too powerful for even the Federal government to risk its alienation.

From the faculty alone can action properly come, and it is in this light that I propose leadership by the American Association of University Professors. This is the proper body; it is national, it has a distinguished history, and, in past decades, has been the chief lobby *for* tenure. Such leadership could give new vitality to the Association itself and free it for its central function, that of acting as watchdog of academic freedom. I think it would be impossible to exaggerate the tonic effect that such action, coming from the united faculty itself, would have upon the morale of the rest of the intellectual community in the United States, and upon the vitality and effectiveness of the university.

Need I also say that I think it impossible to exaggerate the unlikelihood of the A.A.U.P. doing any such thing?

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# The myth of the scientific elite

DANIEL S. GREENBERG

Among observers of public affairs, there has always been a good deal of attraction to theories that claim political power really resides where it isn't supposed to be, or at least where it doesn't seem to be.

Thus, at one time or another throughout the history of the Republic, extraordinary, and often illicit, political power has been, correctly or incorrectly, ascribed to bankers, generals, Catholics, Jews, Masons, Communists, and homosexuals. The most prominent new addition to this company is, of course, scientists, their presence having been alleged by many observers. These include former President Eisenhower, who, in his farewell address, warned that "public policy could itself become the captive of a scientific-technological elite."

There is nothing resembling unanimity on this belief. For example, General Eisenhower's contention would seem to conflict with C. P. Snow's lament for the failure of Western nations to increase the presence and influence of scientists in their high governmental councils – the justification for this prescription being Snow's belief that "scientists have something to give which our kind of society is desperately short of: so short of, that it fails to recognize of what it is starved. That is foresight." This belief conflicts somewhat with the observation of the dean of American scholarship on science and government, Don K. Price of Harvard, who recently wrote: "The eminent scientists (and their professional allies among the engineers and physicians) who hold important positions of influence in government,

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and in the institutional structure by which government and science are now so closely connected, seem to retain rather conventional views. As Insiders, they are likely to accept the subordination of science to the value systems established by the nation's political traditions and interpreted by the authority of its government and they can get along without much confidence that they are on the road to Utopia." However, Hans J. Morgenthau, of the University of Chicago, tells us that "within the government, power has shifted from democratically responsible officials to certain technological elites, military and scientific, which are not democratically responsible."

Where is the truth on this matter? Do we have a "New Priesthood," as Ralph Lapp calls it, or are the scientists simply another group of experts, part of a long series, that serve, but in no way dominate government?

Although there are those who don't share Eisenhower's and Morgenthau's concern about the scientists being there, ample corroboration is to be found for the observation that they are, in fact, high up there – whatever it is that they may actually be doing in and about the throne room. For example, Robert Gilpin, of Princeton, states that scientific advisers "can be found at practically every level of government and in an increasing number of governmental agencies." Further corroboration of their presence is provided by a bit of scientific community humor, namely, that the air routes to Washington are now so heavily traveled by scientists that the airlines may soon stock the *Physical Review* and *Chemical Abstracts* along with *Time, Life* and *Newsweek*.

There is no doubt that scientists, in large numbers, now reside in, or commute to, Washington for no other purpose than to give the U.S. Government their views on an incredibly broad variety of matters, ranging from birth control to high energy physics, and including highway safety, arms control, water pollution, foreign aid, cancer, sonic boom, atomic energy, artificial kidneys, civil defense, and oceanography. Since 1957, the President has had a full-time science adviser, assisted by a staff of fifteen or so specialists, and the part-time counsel of seventeen of the nation's most distinguished scientists, engineers, and educators, who constitute the President's Science Advisory Committee. The State Department has a position for a scientist at the Assistant Secretary level. The Department of Commerce has an Assistant Secretary for Science and Technology; the Interior Department has created the post of Science Adviser to the Secretary. Even USIA has a fulltime science adviser. And several congressional committees have formed advisory panels of eminent scientists and engineers to provide counsel on scientific and technical matters. None of these positions existed before World War II, and, in fact, most of them came into existence or first became significant in the immediate post-Sputnik days or during the Kennedy administration, which, though it wasn't widely noted, cultivated science as assiduously as it cultivated the arts. Furthermore, the federal government now spends more than $15 billion a year on research and de-

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velopment, and while the bulk of this sum goes for space and military research and development, the home grounds of the great majority of the advisers — university science departments — have achieved such affluence that many friendly observers contend they are suffering from financial gout. "As long as you're up get me a grant," has a very special meaning within the scientific community.

The question, then, isn't whether scientists have found a place in the upper councils of government; nor is it whether they have managed to feather their own nests. In both cases, clearly they have, as any dinner conversation at Washington's Cosmos Club — the social center of American science — will instantly reveal. Rather, the question is whether the scientists' relatively new role has swamped the traditional political process, or whether we have been afflicted by some confusions between presence and power; and further, whether we have been afflicted by some confusions between the power of *science* to affect mankind and the power of *scientists* to dictate or influence what shall be sought for in the laboratory and what shall be done with results.

## The unreal stuff of power

For several reasons, it is difficult to detect and measure the relevant distinctions in these matters. First of all, science and technology are so woven into our public affairs that it is often impossible to separate them from the politics of public issues. For example, in the long test-ban debate, the partisans generally accepted the same technical facts, but managed to employ them in behalf of sharply opposed political assessments. Furthermore, the American political structure puts so heavy a premium on diffusion of decision-making power that it is difficult to determine the relationship between the desires of particular persons and groups and what eventually emerges as effective government policy. After all, the drum beater may be credited, or blamed, for the cloudburst, but whether he is responsible is another matter.

Nevertheless, whatever the difficulties, there are ways of approaching the problem. To begin, it would be useful to take note of the process that brought the representatives of science and neighboring professional fields to Washington, for I think that an understanding of this process can tell us a great deal about the sources and durability of their power. Then I think it would be useful to examine some of the operating characteristics of the group that is loosely referred to as "the scientists." And, finally, it can be illuminating, I believe, to examine briefly a number of cases in which interests deemed vital by the scientists collided with the interests of nonscientist elements of the governmental structure. I believe this survey will support the conclusion that scientists, rather than being the new men of power in American politics, comprise a very much misunderstood and politically fragile group whose proximity to power is easily confused with the real stuff of power.

When we look at the various people and organizations that are

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present in Washington to influence the federal government, we find something rather unique about those who come from the scientific community. Business, labor, and agriculture, for example, send their representatives to Washington to defend and advance their respective interests. In the style of sovereign powers, they have built embassies – only they call them headquarters or national offices. These segments of our society will not tolerate any attempt to exclude them from the governmental process. With election contributions, votes, and propaganda campaigns, they have fought their way to the places where decisions are made, and though they obviously, and fortunately, don't win every round, they are constantly in the battle. How, then, do they differ from the scientists who also occupy or commute to Washington? Perhaps the most significant difference is that, with few exceptions, the scientists came to Washington because they were *invited* there for two separate but closely related reasons: to represent the internal interests of the scientific community in its dealings with the principal patron of science, the federal government, and to counsel the federal government on the uses of science and technology for national purposes. They were invited by – let's call it – the political community because World War II had demonstrated to the federal government that science is an essential contributor to national power and well being. (The principal exception to this invited status is, of course, the National Academy of Sciences, which, since 1863, has been the scientists' embassy in Washington. But the performance of the Academy, with a few very recent exceptions, bears little resemblance to that of other professional groups. By its charter – to which it holds with only an occasional and cautious deviation – the Academy speaks to government only when asked; acutely mindful of keeping its prestige unblemished, it rarely puts its head above the trenches; and though renowned throughout the scientific community as the honorary apex of American science, it is little known in Washington political circles and is constantly confused with the National Science Foundation, the American Academy of Arts and Sciences, and various other organizations that have "academy" or "science" in their titles. Furthermore, the Academy itself takes no positions. It conceives its principal role to be the appointment of elite committees to study problems presented by the federal government. The Academy assumes responsibility for selecting the committees, but dissociates itself from the advice that comes out of these bodies. This is a pristine way to do business, but it is scarcely the route to success in Washington infighting. Ironically, the sager agency heads have come to look upon the Academy as a useful tool in interagency strife. Since they are free to follow or ignore the Academy's advice, they will often toss it a problem, and if they like what comes out, they will proclaim that the prestigious National Academy of Sciences endorses their position.)

Now, the arrival of scientists in Washington, and the impression that they exert significant political power, had its origin in World War II, when there occurred an unprecedented series of events that

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eventually became the well-spring of a great deal of folklore on science and government. Fermi, Szilard, and company, having perceived the explosive potential of the atom, sought to interest the armed services; virtually ignored by the military, they employed Einstein's prestige to gain entry to Roosevelt, who gave them a hearing and then set in motion what eventually became the Manhattan Project. Concurrently with the Manhattan Project, the war evolved as an intensely technological conflict, employing weapons – such as radar, the proximity fuse, amphibious craft, and finally, the atomic bombs – that, in most cases, didn't exist in pre-war days. Most significantly, the war brought about a new relationship between science and the military: for the first time, the scientists didn't simply develop weapons to the specifications of the military; instead, they insisted upon an administratively independent wartime research organization, the Office of Scitific Research and Development, and inside that protected reservation, they dreamed up weaponry and passed it along to the military. The scientists and engineers assumed, apparently with ample justification, that they knew more about modern weaponry than did the military, and they weren't going to stand for scientifically illiterate generals and admirals telling them what might be possible and useful. And then, around the time the war was ending, it was the scientists and engineers, musing and debating inside the hush-hush Manhattan Project, who had a two or three year lead on the politicians in thinking about the political and moral implications of nuclear weapons. With the war ended, the scientists, organized in various groups that eventually evolved into the Federation of American Scientists, led the successful fight to assure civilian control of atomic energy. Thus, they perceived the bomb, built it, provided much of the other weaponry for winning the war, and then exerted their political muscle in the postwar era to fight for non-military control of their most devastating creation. (They won to the extent that they prevented active military officers from serving on the Commission, but when the legislative turmoil was over, the military emerged with a little-noticed but vastly significant concession. In the bookkeeping of atomic weaponry, the Pentagon could order whatever it pleased from the Atomic Energy Commission, and the AEC was required to fill the order and foot the bill. When Kennedy discovered this he eliminated the system, but by then the civilian AEC had provided the military with an atomic stockpile whose size defied any rational requirement. Nevertheless, the myth prevailed that the scientists had triumphed politically.)

## In and out of Washington

The scientists' role in the AEC fight provides a fascinating chapter in both scientific and political history; the only difficulty is that, as far as political power is concerned, it was thereafter downhill all the way for the scientists. Never again did they exert the power that they brought to World War II or to the atomic energy control battle; nor, for that matter, did they show very much *interest* in staying in Wash-

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ington and slugging it out on other issues. For the simple fact is that most scientists and engineers don't swim happily in Washington; there are no scientific Tommy Corcorans in the nation's capital; there are no scientists who arrived there as young men and who stayed on to become enduring behind-the-scenes powers, as did a flock of New Deal lawyers who are still successfully pulling wires four administrations later. The reasons aren't difficult to see. The scientists who are summoned to the influential political councils are, as things work in the affairs of men, successful scientists, though it may often be the case that their scientific success is far behind them. They are also quite likely to have reached the stage of their careers where they are holding, or are in line for, important positions in the professional community in which they planned their careers and achieved their success. And though many are willing to serve their government for a few years, most are determined to get back to the campus or the laboratory as soon as possible. Former congressmen and bureaucrats usually don't go home; they set up shop in Washington and trade on their knowledge of the government. But Vannevar Bush, head of the World War II research effort, was delighted to get back to the Carnegie Institution as soon as he could decently close up shop; the first fulltime presidential science adviser, James Killian, though not a scientist, got back to MIT after a short tour that started in 1957; his successor, George B. Kistiakowsky, a chemist, returned to Harvard after about two years of service. John F. Kennedy's science adviser, Jerome B. Wiesner, had decided upon departure, prior to the assassination, to become dean of science at MIT. There has been a similarly rapid turnover in the high level science advisory posts of many of the executive departments, and, sometimes, the posts have sat vacant for lack of willing candidates. In fact, the post of Science Adviser to the State Department, vacant since September 1964, has been turned down by some half dozen prestigious scientists who would rather be on campus than in Foggy Bottom. Most of those who have occupied fulltime advisory posts still give the federal government generous amounts of time on a consulting basis. But their hearts, and the bulk of their working hours, are dedicated to the scientific and academic communities, and from this preference there stems a curious dilemma of science and government: the federal government is most interested in the services of those scientists whose professional performance commands the respect of their professional colleagues, and the profession concentrates its respect on those persons who make their way in the professionally rigorous atmosphere of the scientific and academic communities. Few scientists in fulltime government employ are members of the National Academy of Sciences, and the profession's commentary is corrosive and frequently vicious when a scientific second-rater is appointed to a significant post in the federal science apparatus.

Now, it can easily be argued that (1) the essence of scientific influence on politics is a subtle one based on a monopoly of information that permits the scientist to dictate the choices that the politicians

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will make, and (2) the scientists are so "in" that they can attend to their affairs by darting in and out of Washington. In connection with the first point, Morgenthau, for example, states that the modern military leader's "hierarchic authority as commander will be curtailed by the functional authority of his subordinates, derived from the monopolistic possession of technological expertise. The subordinate then transforms himself, to a certain degree, into an expert advisor, thus setting limits to the discretion of the commanding officer." And, in a footnote, he relates: "I remember vividly my amazement when a few years ago I was invited by the commander to visit a submarine chaser and witnessed for the first time the comradely if not deferential relationship between him and his technically expert subordinates. When I commented on this new experience, the commanding officer replied: 'I need them more than they need me.' "

Morgenthau's contention is difficult to deal with, since it, in effect, assumes that policy implications arise from the leadership's inability to match the lower ranks in the details of technical knowledge. What can be said, though, is that, whatever the implications of this imbalance in knowledge, it is not a new problem, and, furthermore, there is ample evidence that through education and experience with technical and scientific problems, the imbalance is being reduced in both the military and political communities. The chief boiler tender on a World War I naval vessel no doubt knew more about the boilers than did the commanding officer, but it would be foolish to believe that the commanding officer was helpless, or unduly restricted, in relation to that knowledge. Why should we assume that the matter is so different when the case involves the electronics technician who tends the radar? Turning to a contemporary scientific-political example, scientists may seek to persuade the government to pursue this or that line of research, but after twenty years of dealing with scientist-supplicants, both the Congress and the Executive have developed an ear for sound argument. Furthermore, they have learned where to look for conflicting advice, and if anyone believes that the scientific community is so monolithic that only one tune is hummed at a time, he simply hasn't been listening to the sounds of strife and contention that fill the councils of science and government.

## The postwar experience

To examine the argument that the scientists are so powerful that they don't have to tend the fields regularly to reap the crop, it is useful to get away from the relatively ancient history of the genesis of the Manhattan Project and examine some of the things that have happened in the postwar years. Toward the end of the war, Vannevar Bush and virtually the entire leadership of the scientific community agreed that they didn't want to see science return to its pre-war penury. Bush proposed, and his colleagues endorsed, a plan to fund basic research through a government-financed foundation that would be headed by scientists and almost completely insulated from government control. In short, they wanted government money without

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control, an understandably attractive goal that the scientists after long debate managed to sell to Congress. Harry Truman, however, would have none of it; he vetoed the foundation bill; Bush's proposal became politically becalmed, and it wasn't until 1950, six years after the scientist leaders proposed what they deemed to be a vital source of support for science, that the foundation came into existence, on Truman's terms. But even then, the supposedly political omnipotent scientists found themselves politically thwarted – and virtually helpless. The House appropriations committee looked with considerable suspicion upon the foundation, and for years kept it in a state of poverty. Fortunately some enlightened naval officers had come along at the end of the war and had quietly put a good deal of money into non-military science through the Office of Naval Research. But by all accounts, this was a happy accident rather than the result of machinations by the statesmen of science. The scientists, though gladly taking the Navy's money, never felt very happy about military funds supporting their work, and they repeatedly implored Congress to give them the Foundation conceived by Bush. But for a long time, it was military money or no money. For fiscal 1951, the foundation sought $475,000 to set up housekeeping; the House voted to give it not a dime; an appeal to the Senate brought $225,000. In its second year, the foundation sought $15 million; the House gave it $300,000, but, again, by appealing to the Senate, the foundation came out with a $3.5 million appropriation. And throughout its 15-year history, the story has been very much the same. In anguished moods, the leaders of the scientific community have come to Congress to explain that the National Science Foundation is not simply another federal agency in the science business. Rather, they plead, it is the keystone of federal support for basic research; it is, they repeatedly try to explain, the one federal agency whose exclusive function is to finance the true love of the basic scientist – the quest for fundamental knowledge, regardless of where the quest might lead. Eventually they began to make some financial headway, but only by raising what they regarded as a distasteful but essentially correct argument, i.e., that the foundation was important because of its long range significance for military research and development. They pointed out that the atomic bomb came out of fundamental studies that had had no particular objective, and they emphasized the fact that military development could best flourish in proximity to a thriving basic research establishment. Thus, the Cold War helped bring prosperity to the Foundation, but it can never be said that the scientists were handed a blank check.

In 1963, with the encouragement of the Kennedy administration, which put a high premium on scientific and technological supremacy, the foundation sought a vast budget jump – from $322 million to $589 million, a large sum, but still a relatively trifling one compared to the $6 billion that the Defense Department was putting into research and development and the $5 billion that the space agency was spending for its program. A principal object of this increase was to

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finance a great expansion of graduate training in the sciences, but the House Appropriations Committee wasn't at all interested. It said that the Foundation had been growing too rapidly, and it held the budget to the previous year's level. The scientists, it is no exaggeration to say, were thunderstruck, since, in expectation of the increase, they had been laying plans for new and expanded programs. The Senate came to their rescue and managed to get a $30 million increase over the previous budget, but attempts to interest the White House in a fight for a bigger increase were fruitless. The Kennedy administration, with its grand assortment of congressional troubles, wasn't inclined to stir up a fight in behalf of money for science. And, it is worth noting, the scientists themselves had nowhere to turn to for support. As invitees to the Washington feast, they had no constituency with which they could threaten or cajole their oppressors. They could, and did, solicit letters of support from universities around the country, but as things go in Washington, that's pretty pale stuff, and it had no effect on the outcome.

## Case studies

In continuing the examination of what happens when the scientists and politicians collide, it would be useful to look at a number of other cases. Let us take a relatively minor one, but one that nevertheless has a good deal of symbolic significance. Several years ago, the Atomic Energy Commission established an award, known as the Fermi Prize, to honor accomplishments in atomic energy. The award was to be given annually upon the recommendation of the Commission's General Advisory Committee, which is its top scientific consulting body, one that is composed of some of the most eminent representatives of American science. Last year, a congressional committee — the Joint Committee on Atomic Energy — expressed displeasure that the General Advisory Committee had consistently bestowed the award upon basic researchers, while ignoring the engineers and others who had played important roles in the development of atomic energy. There was great consternation in the scientific community over this political intrusion into what had come to be regarded as a matter to be decided solely by men of science. But the Joint Committee had spoken, and subsequently, the Atomic Energy Commission gave the award to Admiral Rickover, who was clearly an important figure in the development of atomic energy, but equally clearly, he wasn't the choice of the scientists who made the nominations for the award.

Let us examine another case, this one involving something that was referred to earlier, the State Department's Science Adviser. This position was established about 10 years ago because a number of prominent scientists felt, among other things, that it would be useful to have scientists play a role in the formulation of foreign policy. The position has now been vacant for the better part of a year; most of the people familiar with it readily concede that it has never achieved any importance in this government's management of for-

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eign affairs, which is one reason why it has been difficult to find a suitable candidate who wants the job. Finally, it should be noted that many State Department people in responsible positions are unaware of the fact that the Department has a scientist in its upper ranks.

To continue: Early in the Kennedy administration, several influential scientific advisers to the White House proposed the establishment of a government program to stimulate research and new technology in American industry. The position of Assistant Secretary of Commerce for Science and Technology was created to help implement this proposal. However, a number of industries became concerned about the effects that the program might have on their competitive positions. Lobbyists quietly went to work — and the program was given a quick congressional burial. It since has been revived in a far less ambitious and somewhat disguised form, but at this point it is still a very long way from playing the role that was foreseen for it in 1962.

Several years ago, Congressman L. H. Fountain of North Carolina accused the National Institutes of Health — which is the principal source of funds for medical research in the United States — of laxity in supervising the use of its grants by university researchers. Fountain's attack aroused great apprehension in the scientific community, but NIH, though generally defending its practices, found itself powerless to resist. It yielded to Representative Fountain and revised its accountability procedures very much in line with his demands.

On the matter of federal support of research in universities, it has long been argued by the government's most influential science advisers that the universities actually lose money when they accept federal grants. This contention, for which it is hard to find any dissent, in or out of the government, is based on the fact that Congress limits the amount of money that the granting agencies may provide for the overhead costs incurred in performing research. Repeated efforts have been made to raise the amount, but Congress adamantly refuses, and, again, the scientists have no constituency to which they can turn for effective political support.

On matters of broad national policy, whenever scientists have wished to make the effort, they have been able to wed their prestige to eloquence and logic, and this combination has often had an influence on the course of events, but *only* when the prevailing political climate was receptive to their proposals. In the early 1950's, for example, when government was indifferent or hostile to efforts to bring technology to bear on the population explosion, a group of scientists quietly persuaded the Rockefeller Foundation to establish what eventually became the Population Council. The Council, along with a number of other groups in the population field, can take credit for the slow, but still remarkable, evolution of attitudes toward federal involvement in this field. But it took the clear onset of crises in the economic development of underdeveloped nations to bring the federal government to a stance that was long ago advocated by the scientists. In the mid-1950's, civilian scientists persuaded the Eisenhower

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administration, over the protests of the Air Force, to undertake the development of an invulnerable missile force as a step toward dampening an open-ended arms race. One argument of the scientists was that arms control and disarmament could ultimately be achieved if east and west were convinced that neither could knock out the other with a surprise blow. It was the contention of some of the most influential civilian scientists that approximately 200 underground missiles could provide safety, stability, and a good departure point for eventually reducing the force under an arms control agreement. The bomber-bound Air Force was eventually persuaded of the strategic utility of the invulnerable missile, but it promptly went on to make a mockery of the scientists' argument by building over 1000 missiles while retaining a fleet of more than 600 nuclear bombers. Finally, Kennedy's ill-fated civil defense proposals had the backing of many influential scientists, but Congress, many scientists outside the government advisory establishment, and the general public regarded civil defense as nonsense in an age of 50-megaton bombs, and no logic or influence could persuade Congress to appropriate funds for this venture.

This recitation of cases in which the scientists have been politically drubbed is not intended to leave the impression that they are without influence or power in Washington. But I think it is necessary to note that their influence and power have characteristics that are unusual and perhaps unprecedented in American politics. Initially, they were invited to Washington because of their mastery of a subject that was incomprehensible to the politicians and vital to the national business that the politicians were conducting. In many areas, particularly those involving armament and disarmament affairs, they had relatively free rein for the first few postwar years, principally because non-scientists didn't understand the technical essentials of the issues. But with time, the non-scientists at least acquired the ability to sense the distinctions between the political and the technical. Perhaps the best illustration of this evolution is to be found in the years of nuclear test ban talks that eventually led to the limited test ban agreement of 1963. Early in the negotiations, scientists were sent to Geneva to fill negotiating roles that under normal circumstances would be occupied by diplomats. By 1963, when the talks reached the serious stage, the diplomats were clearly running things, and the scientists were simply on call to provide counsel when it was sought.

## A "kept" interest

The evolution of roles in the test ban negotiations is somewhat symbolic of the entire science government relationship. When the scientists first arrived in Washington, their political associates provided them with a very long rein. As the years went by and the politicians developed the ability at least to sort out what they themselves could handle from what they had to rely upon the scientists for, the rein became shorter. In 1945, Senator Russell of Georgia declared that "My feeling toward scientists is . . . pretty much like the boy . . .

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going to the country doctor. He thinks the doctor can do anything." No politician talks that way today. The scientist is a familiar figure in national affairs today, and if anyone thinks the political community is giving the scientists blank checks for money or policy, he is living with a stereotype that makes good fiction but bears little relation to how things work in Washington. The scientists are affluent and omni-present because the politicians, for very sound reasons, have concluded that it is good for the country to have a prospering scientific community and wise scientific counsel on how the fruits of science and technology might be employed. But an evening of frank talk with any of the supposed scientific subverters of the traditional political process will quickly establish the fact that they, like many other interest groups in Washington, sometimes win, and they sometimes lose; but unlike the others, they are a "kept" interest that has little to rely upon but the goodwill of the political community when vital matters are at stake.

In the election, aroused by the Goldwater candidacy, the scientific community organized Scientists and Engineers for Johnson, an unprecedented step for it to take. Some 50,000 scientists, engineers, and physicians participated in this effort. They raised about half a million dollars, and, by skillfully employing the prestige of science, apparently made a significant contribution to the Johnson landslide. But the scientists who organized this effort were clearly not at all at home in the rigors of politics. They insisted that their state and local chapters limit themselves to one issue: Johnson versus Goldwater. In New York, Scientists and Engineers for Johnson declined any part in the Kennedy-Keating race — to the great annoyance of the party regulars; in California they stayed out of the Salinger-Murphy race, and after election day, the organization instantly disbanded — an act of political *coitus interruptus* without parallel in American electoral history.

Snow laments that the political councils fail to appreciate the contribution that scientists can make to policy. It would perhaps be more appropriate to lament the disinclination of scientists to take part in the public process. Though scientists regularly deplore the quality of public education, their presence is a rarity on school boards; they rarely run for office, local or national, and it is not uncommon to encounter distinguished scientists whose knowledge of the rudiments of public affairs is appallingly minute.

What do "the scientists" want? My impression is that they want to practice science, without any interference, and without very much regard for the consequences of their work. It is a tough profession and the best invariably love it and devote themselves to it with a fanatical passion.

Is public policy about to become the "captive of a scientific-technological elite"? The theory is intriguing, but the candidates for this role are too preoccupied with their work to attempt to fulfill the prophecy.

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# Art–by-act-of-Congress

JACQUES BARZUN

Three unrelated causes – the cold war, the hunger of the mass media, and the temperament of the presidential Kennedys, husband and wife – have made art and culture in the United States for the first time a political concern. During the few months of the present administration more than a hundred bills have been drafted to establish a bureau of the arts or an academy of the humanities, so as to put the oldest republican government in the business formerly carried on by Medicis and French Kings.

At the same time, the press and the trade journals have recorded in dozens of articles the advent of a culture explosion, a boom audible and visible, and also measurable in millions of dollars of business: the building of art centers; the publication of innumerable books, especially expensive art books; and the subvention of training, performance, research, exhibition, and plain gadding about – all for the arts. In the first great burst of English prosperity, around 1688, when public stock companies began to mushroom, one of them offered as an inducement to investors the premium of free instruction in Latin, Greek, Hebrew, conic sections, fortification, and the art of playing the theorbo. In the present affluence of the welfare state, we are about to add the theorbo (figuratively speaking) to the free education and other prizes previously earned by being a citizen. Is this rational and desirable? What will it do for the public? What will it do for the artist and to the arts? How should it be done?

In the present fury of benevolence and high thinking, he who

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questions anything is suspect, and particularly the questioner of panaceas such as education, culture, Shakespeare, etc., if his motive is not mere economy. "So you're against the arts? An elitist, I bet! Why don't you want to give the people what they need to fill their leisure time and lead the good life? Don't you know that artists are poor, starving, kept down all over the place?"

Since these amiabilities beg questions rather than permit answers, the candid man must go back to first principles and review the case for government spending in the arts — spending and also directing, for support cannot help being selective and guided by rules.

What are the arguments in favor of public subsidies for art in this country at the present time? First is the perennial insufficiency of private support. Inflation, the high cost of ordinary labor, and its restrictive union rules guarantee a deficit for almost all artistic undertakings. Orchestras live year after year on last-minute charity; the off-Broadway theatre struggles where it does because on-Broadway supports only jolly musicals for the out-of-town trade; poetry is carried at a loss by philanthropic publishers; only a very few painters, writers, dancers, and musicians subsist by their original work, and most of these few achieve their independence only at the end of laborious careers in other occupations. This is the paradox of art: it is a commodity in increasing demand; the public pays, as it thinks, lavishly; and yet art and artists seem to be no better off than before the boom.

The conclusion of the first argument is that the government should step in, as in a distressed area. A second argument is that a great nation owes it to itself to honor the arts by helping them to flourish. Recognition means not merely medals but subsistence. Art is one of the great activities of mankind, perhaps the noblest, and high civilizations are known by the company of artists they keep. We, the United States, are now at the head of western civilization in wealth, power, and influence. Shall we be known only for our agricultural machinery and clever condominium mortgages? We have in fact already answered that question — and this is the third argument — by sending abroad at government expense our musicians, dancers, art collections, and academic lecturers. We have sprouted cultural attachés in every embassy and libraries in every inflammable spot. We could not afford not to when Russia was wooing old Europe by just such means, and when every people was showing an appetite for the new industrial distribution of "art products" through magazines, films, television, discs, and other forms of handy packaging. In short, Culture — as highbrow as you like — has become an arena of international competition, and art like war is an extension of national policy. We speak of our artists as ambassadors, and it often seems as if they were more important and expressive than diplomats.

Finally comes the plausible argument that it is only fair to support art and the humanities in something like the style which science has graciously come to take for granted since the middle of the last war. The younger daughter of mind was married off to government

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first; bigamy with the elder would be the decent next step to make things even and pacify a large group of clamorous godfathers. The surprisingly numerous well-wishers who urge this union for parity of status are quick to point out that the arts and humanities will cost but a trifle in comparison with the works of science. The contrast is indeed so great that to endow art almost feels like a saving. And no one need raise the bugbear of precedent, for there is no third child of civilization to make a further claim. Sports pay for themselves, and chess will never make a noise.

Throughout these solid arguments is a vague awareness of the times being ripe. Flitting notions of the BBC Third Programme, Malraux's enlightened dictatorship, the Arts Council, Italian and Japanese attitudes and artifacts, cathedrals scrubbed and spotlighted – a complex of feelings born of civil and military missions abroad and college-age tourism – have given art renewed masculinity. It sustains in businessmen the desire for paintings at inflated prices, and spurs politicians to jump on a brand-new bandwagon, decorated by hand and shining with prestige.

## 2

All this is lovable, like any good-natured enthusiasm. But enthusiasm, when public, is rarely sober, and the candid man whom I have imagined must go on to look at the counter-arguments. What strikes him from the outset is confusion in purposes and proposals. It is assumed not only that everybody knows what "the arts" and "the humanities" are, how they are produced and how they work in society, but also that everybody means the same thing by their public support and dissemination. Yet one wonders whether those who speak or write the phrase "an academy of the humanities" form a plausible image of this proposed creation. Who would belong, what would they do, which historical model would it most nearly resemble?

As to "the arts," are they to be past art or present art or both? And if present art is included, does it consist in accepted or in experimental work? The chances are that "experimental" will sound better and please less – witness the foundation support of new music, its rarity on our programs, and its disastrous effect on the attendance of regular subscribers. But can everything that calls itself experimental "qualify" for support?

Moreover, art as a generic term covers a series of distinct activities. Most private patrons think first of objects and performances – what the consumer can, as it were, carry home with him. But before he can make this acquisition, much else has taken place, and this is what the artists and the students and managers of art think about. Each group, on hearing about support for the arts, naturally thinks first of his guild. The effort to distinguish has made current the vile phrase "performing arts," a kind of dog or flea – one would think – whose image, like the connotation of that other absurdity, "applied music," masks the diversity and the interdependence of the contributors to what is blithely called "the arts." We know that in a plan

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for public medicine, health is the object, just as in the relief of poverty we must provide food and shelter. But what is the central object of "aiding the arts"? If it is "giving culture" to the people, does this mean free performances in the several arts, as pending legislation wants to provide through touring companies? Do we then neglect painting and sculpture, or do we say that an exhibition of works is a performance? The question is no quibble, because it asks what culture is as a whole and what groups, what legitimately vested interests, are going to benefit from the outlay of tax moneys.

In the honorific or highbrow sense, "culture as a whole" begins, obviously, with the artist as maker (let's not call him "creator" till a little time has passed). Well, then, we support an artist, or maybe two, to set the ball rolling. But our artist is not a maker till he has been taught. So we must support teachers of art and schools of art. Who picks him out? First himself, by inclination and what looks like talent. Then, if he perseveres, he attracts the notice of teachers, critics and connoisseurs. Clearly, they too must be taught, and rather differently from the artist who makes. They need more comprehensive instruction in the history, philosophy, and stylistics of art. This is where the humanities come in. The studies known by that name consist in examining the arts and discoursing about them. This discourse, it is hoped, influences the public eager to analyze and compare its artistic feelings. But the purview of the humanities goes farther: they aim at teaching those who perform and those who direct or manage art. For example, musicology, as one of the humanities, establishes for music, one of the arts, the correct text or style for performance. Art history establishes what paintings are authentic and who painted them. Literary studies try to make clear what Shakespeare wrote and what the words mean — to say nothing of bringing light by showing the interconnections of art with life and with its own past.

It follows that, ideally, any one who meddles with the arts, even a legislator, should possess some knowledge of "culture as a whole." Just as we now suppose him able to read and write, so we should expect from him a degree of literacy in the arts and humanities, especially if we let him choose and direct what is to prosper at public expense.

But this is precisely what we lack. The division of labor which is indispensable for the maker, the performer, and the academic student has become the rule for the critic, the director, the legislator, and the public. We can observe this in the many art centers, built at great local sacrifice, and which are led by persons who do not know what to do with, and in, these palaces of art. The cause is not total incompetence but competence excessively narrowed. A pure theater man knows he should and can produce four plays a season, but what else? There is chamber music, there are avant-garde films, and — well, the arts. He can choose certain kinds of plays, but how much does he know of the history of drama and film? Offer him Balasaraswati by mail and what is he to think?

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To be sure, nine-tenths of his public will be in the same doubt, even after seeing the dancer, and what's the harm of learning by trial and error? None at all, but ignorance and doubt tell us that the American people – any modern people and its leaders – are very new at this culture game. As individuals we "work up" with the zest and pedantry of a sports enthusiast "the facts" on this or that "favorite" art, period, style, or man. But from this effort, stimulated by advertising, has come more sense of accomplishment than inner joy. The educational note tops the rest like the shrill piccolo. Nearly every museum in the country posts critical notices next to each picture or pipes the doctrine through ambulatory earphones, but there is not one general magazine that publishes civilized discussions of the several arts side by side. Indeed few are those who could write these articles, even if a fair number would read, profit, and enjoy.

## 3

Recognizing the confusions of fact and inadequacies of thought about the arts is a prerequisite to framing a government policy in their behalf. This would be true on general principles; it is true for us in particular because such a policy cannot be one that simply gives the people the food or medicine they need. It is not even like the support of scientific research at large. It resembles rather the chancy empirical policies devised to sustain national prosperity. Culture is a whole like the economy. And the analogy extends to the multitude of interests at work and their irreconcilable conflicts. John Sloan the painter favored government support of the arts because, he said, the true artist would then know who his enemy was. Others foresee interference with taste and style because it is impossible to disburse money without implying standards and holding out rewards for conformity with them. Government aid cannot help generating a bureaucracy of critics and accountants, seekers and prize-winners. To say that the judges and dispensers of favors will be drawn "from the arts themselves" is no reassurance. Cliques and clans and dictatorships will arise. It is no use instancing the panels of scientific referees that now pass on projects for government sponsorship, and proving that they have on the whole been fair. Science can use more impersonal criteria for judgment and, fads apart, the effort of science has a common goal and no doctrinal implications.

The arts and the humanities on the contrary are always in the thick of the battle of ideas. They stir up the passions and are meant to. A piece of work need not have a Communist for its author in order to be subversive – and subversive in a way which a politician or his delegate in office will instinctively feel and properly resent. For he is after all the custodian of the people's money and welfare, and he has sworn to uphold the regime of which he is a part. Now the arts in the west have for over a hundred years been anti-social and irreligious; they have incited to immorality, revolution, and nihilism; they seethe with hatred of the bourgeoisie, business, normal appetites, and machine civilization. They war against everything

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that under the name of education the government already pays for: settled habits, decent thoughts, respect for the family, obedience to the law, and adherence to grammar, syntax, and democratic ideals.

This is not to say that the modern arts have also shown unanimity in technique or political tendency. Far from it. Since the turn of the century their forms and utterances have not fallen into the old two-party system of dominant style and loyal opposition. There has been, according to some, chaos and anarchy. Let us call it a pluralism while noting its intolerance. How is a government accustomed to distributing its help even-handedly, though with a bias for the weak, going to cope with this angry hornets' nest? Will not the vicious inner politics of the intellectual-artistic world be compounded with the outer politics of patronage and the public interest? We can imagine some natural outcries: "The least that American art can do is to be useful in the cold war"; or: "It seems to me that if the taxpayer puts up the money, the arts should bring him a message of cheer – some fun instead of this calculated gloom and boredom." And on their side, the artists will ask themselves (as Robert Lowell recently did) whether participation in the government's cultural programs does not implicate the artist in government policies other than artistic. Long before a man is known as poet laureate or State Department pianist, a distinction is felt between the appointed petitioner and the unappointed (or disappointed). And thereby a triangular duel begins between the two breeds as well as between both together and their would-be keeper.

The administrative imagination is hard put to it to think of a procedure for arbitrating these many inherent conflicts and out of their resolution producing a finer or stronger national culture. Nor can the student of history see how a single genius would be aided by threading the maze of paper projects, channeled influence, and official decisions that must inevitably be erected to sort out the claimants. What one can see instead is the public emergence of a new type of careerist, the one whom John Sloan wished to be able to identify as his enemy, thanks to the government label.

That label will have its effect on the public too. Depending on temperament or habit, the citizen or the community will favor certain works, performances, or men because they come with or without government support. This is the classic situation of continental Europe – an Establishment art, into the bosom of which the ambitious seek to climb; for once inside, everything is assured – commissions, honors, an applauding public, even a uniform; then, on retirement, the pension and later the paid-up funeral.

That system has produced some good and even great results, for the well-defended gates of the Establishment have occasionally been breached by some artist whose determined fury proved strong enough to overcome the natural conspiracy of mediocrity against genius. But the expense of energy and waste of spirit have been out of all proportion to the results. The declared war between official art and the real thing has cost innumerable talents, if not their lives,

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their chance to develop naturally. The system eases or destroys, inflates or ostracizes even more capriciously than trade, and its root evil is that it steadily gives trade a premium to prefer the approved.

## 4

Since whether we like it or not we are going to have art-by-act-of-congress, how can we make the most of it? That is, how can we best use the money that will be appropriated with such good intentions, and at the same time avert the predictable consequences of politics, bureaucracy, and interference with supply and demand? For we must remember that as soon as art and the humanities look like gushing fountains of money and power, the tribe of artists and their hangers-on will multiply beyond control. The strict limitation on numbers which the long and well-supervised scientific training exerts does not apply here, nor should it. Hence these few tentative recommendations, for a beginning:

1. Use federal funds to insure the continuance of established enterprises devoted to the cultivation of past art, such as museums, orchestras, libraries, and repertory companies. The outlays would in fact be matching grants to institutions that already maintain the arts in a given community. Since the rash of art centers has broken out in many new places, and these could qualify for grants on suitable terms, it is likely that few people, even in isolated spots, would be left with an unsatisfied lust for art. All anyone would need is the gumption to drive a few miles, as if to a movie.

2. Concentrating in this way on the support of past art will in effect free local money for more venturesome efforts. The choice will be in the hands of the local directors and will then express a genuine and conscious local demand for what is new. This is all-important for culture as a whole and for the preparation of the national mind to make its own art. Suppose a municipality to set up a theatre, with funds local and federal, its continuance and its repertory must alike be decided by those that attend. They must choose and criticize by way of the press and the box office. When the verses of Sophocles did not come up to expectations, the citizens of Athens threw figs, and this is the right relation of public and artist. This is the condition of true love and applause. It need not run to a federal allotment of free figs. In fact, nothing about the arts must be free as long as we maintain a money economy. Otherwise, the ice-cream cone you buy after Shakespeare in the park is proved to have greater value than what you have just heard; and that is no way to encourage appreciation — appreciation which must in every case reach the point of disbursement, since the lighting crew will not work for love and the actors shouldn't.

3. A great deal of art is already being bought or cared for by the government: make it better or more extensive by appropriating larger sums to commission public architecture and decoration and by giving some spending money to the National Trust and similar institutions that try to save the landmarks or scenery we are so quick

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and ready to destroy. Art is not wholly in museums, and the removal of a car dump can do more for general culture than sixteen canvases certified modern.

4. See to it that the government deals fairly with artists and kindred professionals in money matters. This would be indirect spending for art and the humanities, and no less important than direct. For example, pass a decent copyright law, so that writers and composers are not mulcted as at present for the benefit of printers, publishers, and juke-box operators. It is bad enough that an artist's work is confiscated for public use after half a century, as is not done to a maker of saucepans or coughdrops, without having all the intellectual drones deprive him, during the fifty years, of the legitimate returns of his industry and skill. It will be time to talk of a great nation's respect for her artists when they are at last able to earn the livelihood of, say, an average employee in middle management.

Such a goal will incidentally require, still at public expense, a modified administration of the income tax laws: not special privilege, but equal treatment with the business man as to deductions for the expenses of carrying on the trade. At present the discrimination against artists is fierce and senseless.

5. In the direct distribution of government funds for art, some parallel must be provided for the present diversity of agencies that dispense money for science. Depending on its nature, the work or material requirements of a physicist or engineer will be subsidized by the Atomic Energy Commission, the Office of Naval Research, the National Aeronautics and Space Administration, the National Science Foundation, or even the National Institute of Health — one government but many autonomous authorities. Now just as all subsidized art should satisfy a local and autonomous public, instead of being smeared down by fiat over a circuit of semi-captive audiences, so an artist or a company of artists with a claim to support under any imaginable program should not be subjected to review and approval by a single authority or source of funds.

A variety of agencies is the only way we can approximate the Italian cities of the Renaissance or the German courts of the eighteenth and nineteenth centuries, among which an artist could, with luck, find asylum and a congenial patron and, once there, quarrel with him and be free to go somewhere else. The possibility of getting around Louis XIV or the French Academy is essential and is in keeping with the native pluralism of our political arrangements. In the end, every civilization has the art it deserves, just as every nation has the government it deserves. We need not reduce our chances of the good we seek by having the two together in only one package.

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# Paradoxes of American poverty

NATHAN GLAZER

Presidents, socialists, reformers and academicians have set the prevailing contemporary tone in discussing poverty in America — shock and outrage that it should exist, followed by a direct and earnest passion that we should do everything necessary to wipe it out. And for the most part the mass media and the people have followed these guides. Poverty, as Michael Harrington told us in *The Other America*, is largely invisible in the United States. This is true. He concluded, therefore, that there is more than we can see, and that our society obtusely refuses to acknowledge it or act against it. After the past year in the war against poverty, one might conclude just the opposite: that one effect of the invisibility of poverty is to make it easy to persuade most Americans that there is much more than there is — and thus quite well informed people do believe that poverty is increasing and that it is harder to deal with than ever, when as a matter of fact the truth is just the opposite. And yet, despite the successful conversion of most Americans to the view that poverty is a far graver problem than they envisaged, underneath the ready popular response to the war on poverty there is a good deal of uneasiness. Somehow, the problem of poverty keeps dissolving into a series of paradoxes.

"Poverty in the richest country in the world" — this is the first paradox with which we are confronted. Economists and reformers have set the income line for poverty at a figure that spells middle-class comfort in the countries of Northwestern Europe. On the one

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hand this tempts critics of the War on Poverty to interpret poverty in this country, not as absolute deprivation, but in purely relative terms. Our poor, we are told, would be the upper-middle-class of India or the respectable working class of Sweden; and thus we deal with a statistical artifact when we speak of poverty in the United States. This argument – which is extreme – is nevertheless given a certain plausibility by the unqualified insistence of some economists and reformers that *all* the poor, by the standard of the income test, are absolutely poor and not merely relatively poor. The critic will then note that one quarter of the poor, even in the figures of economists and reformers, own cars, and even more of them own their own homes; and writing from the rather special perspective of New York City, where even well-paid critics do not own cars or their own homes, they will find some reason for their skepticism.

We cannot easily resolve the question of why an income that would spell comfort in some countries is actually poverty in America, but there is no question that it is so. We know that some eight million people can demonstrate to the satisfaction of hard-pressed and often unsympathetic departments of public welfare that they are truly impoverished, and are incapable of providing themselves with food or shelter without public funds. We know, too, that the food and shelter they receive under these limited public allotments are not markedly superior to the food and shelter that the poor enjoyed in this and other industrial countries fifty years ago. If the paupers of Edwardian England lived on tea and bread and margarine and scraps of meat, then the poor of our country are doing only a little better. If the poor fifty years ago lived in crowded and crumbling rooms, with inadequate plumbing and heating, then we find the same living conditions for a large part of our poor population today. There have been gains – the automobiles that have bemused some writers on poverty, the television sets that are almost universal, the clothing that is cheaper and better than that of fifty years ago, the public health service. But it is odd to note the extent to which the improvements in the living conditions of the poor, which are undoubtedly reflected in the higher income level we now draw to mark the line of poverty, have gone to peripheral improvements – television sets replacing the stoop for conversation and the automobile replacing cheap public transportation.

We certainly have to expect some skepticism at the figure of 40,000,000 poor. On the other hand, the eight million on relief are certainly only a part of the problem. Somewhere in between we do have a large population that is without the means to maintain a modest standard of living.

The second large paradox we have to deal with is the sudden rise of public concern and political action over this question in the United States in the past few years. The problem itself has not changed in character. Professor R. A. Gordon, for example, has shown that, contrary to popular belief, there have been no major changes in the impact of unemployment on youth and non-whites in recent years,

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while unemployment itself as well as poverty has declined somewhat. The numbers on the public assistance rolls show a remarkable stability. It is true that there is a steady increase in the category of Aid to Families with Dependent Children, but this is not much greater than the increase in the population under eighteen.

Let me point at something even more surprising. In England, with all its wide array of welfare institutions — its extensive programs of health services, social insurance, family allowances — the numbers that become dependent on National Assistance (their equivalent of our public welfare) is a little larger than it is here in proportion to population — that is, about 6 percent of the population of Great Britain compared with about 4½ percent here. Obviously one could easily make too much of these statistics — they have more old people on national assistance, fewer children, and there are very large differences in the systems of social insurance and social welfare in the two countries. It is nevertheless enlightening for us to ask: why is there no outcry in England over the problem of poverty when three million people a year are dependent on weekly grants for direct need from the National Assistance Board?

## Patching up the floors

It was revealing to me to leaf through the past six or seven months of an English weekly devoted specifically to problems of social welfare and social change, *The New Society*. I was in search of articles on poverty in England, which the statistics I had quoted had suggested was as much of a problem as poverty in America. The only article I came upon was a report on President Johnson's war on poverty in the United States. Why should this be so?

I would ask further: to the extent that this problem is discussed in Britain, why is it that it is seen as one requiring various adjustments in the social security system, perhaps some new approaches in social work for the worst cases, and the like — while here we see the poverty problem as demanding much more than tinkering with benefits and eligibilities? Here radicals, liberals and even some conservatives call for a social and psychological revolution, requiring us to develop a completely different attitude to the casualties of industrial society, an attitude capable of reaching them and remaking them as human beings rather than simply providing better care.

Let me try to explain the failure (or perhaps one should say, refusal) of other countries to see some of their problems as problems of poverty. England is still afflicted with a housing shortage and slums, Sweden still has a severe housing shortage — but these are no longer seen primarily as a problem of poverty. They are seen as a problem of the allocation of resources. Since housing is in such large measure in these countries a public utility, the question becomes, who gets it, rather than, why don't people have enough money to pay for it? The questions then are questions of small administrative or larger social decisions — do we favor the young married couple over the aged couple or individual, do we provide housing for the divorced

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woman, or must she move in with her parents, and so on. The answers depend on laws and regulations, and on their interpretation. Obviously our situation is very different. Our goods – housing or medical care are prominent examples – are to a much larger degree allocated by the free market. And even if the distribution of income is not much more unequal here than there, its differential impact on the standard of living of those at the lower end of the scale must consequently be much larger. Income statistics report money earned – they do not include public services that are freely or cheaply available.

I would suggest, then, that one of the reasons for the difference of response to the problems of poverty in England or other countries of Northwestern Europe is that a floor *of services* has been built, a standard floor for the entire nation, beneath which theoretically no one may fall. This floor is by definition designed to provide an adequate standard of living. (Somewhat less effectively, there is also a floor of minimum income, as well as minimum services.) The mechanisms by which this adequacy is provided consist of a variety of elements, such as old age pensions, unemployment insurance, family allowances, subsidized housing, national health insurance and the like. It turns out, as we have seen, that despite the artful construction, people do slip below the floor. And the proportion that slip below in England are statistically not less than those that in the U. S. find themselves in such desperate straits that they must apply for public aid. Yet, because of the existence and general acceptance of these national floors, the common reaction to poverty appears to be: repair the floor, adjust the mechanisms so they eliminate the problem of people slipping below. National assistance – i.e., public welfare payments – is thus viewed, at least officially, as an adaptation to some ill fitting planks in the national floor, rather than a sign of failure and inadequacy and moral defects, as it is here. And with the passage of time, it takes steady and hard carpentry work in the welfare state to keep the floor in good shape. Inflation makes old age pensions inadequate; charges are reintroduced for some elements of health care and there are some people who cannot afford them; much of the regular social insurance is related to regular work, and those who have not worked regularly do not qualify for it; many people do not know their rights and legal benefits – as many here do not – and some will not take advantage of them.

But we must explore these differences in reaction to poverty a bit further. Why is it that our system of social insurance and public assistance form a much more jagged and uncertain floor than in England? Is it only a matter of the uncompleted revolution of the New Deal? This is one way of looking at it – but why did the revolution remain uncompleted? Daniel P. Moynihan has pointed out that we in this country find the idea of a high minimum income for all much less attractive than the opportunity of fairly high income for many – and that "many" by now includes very substantial parts of the working class. We do have a lower floor than in Europe, or rather a more irregular floor, with some parts of it – as in New York, Michi-

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gan, and Illinois, quite high, and other parts, as in the South, falling deep into the cellar — but we also have higher plateaus of income, on which very substantial numbers are located.

I would like to explore some concrete manifestations of this important generalization. If we look at the history of the past few years, when we find Democratic administrations in control nationally, we are surprised to discover that there has been relatively little interest in raising the floor, in completing and filling out our patchy system of social insurance and welfare. This lack of interest is almost as evident in liberal opinion as in conservative opinion. Conservatives prefer people to work and support themselves rather than to become dependent on public "handouts," on a high floor. Oddly enough, liberals seem to think the same way. There is little pressure for an increase in the very low social security payments — which would rapidly eliminate a good share of the poverty in the United States. There seems to be much more interest in work training programs, of all kinds, among liberals as well as conservatives — even though the liberals will also add that work training without jobs is insufficient. It is interesting to note that whereas England is far ahead of us in so many spheres, our work training and retraining programs, under MDTA, the Economic Opportunity Act, and other acts, are considerably in advance of what we find in England. Of course, one reason for this is that our unemployment rates in general are higher, our youth unemployment is much higher, our fear of job loss through technological change considerably greater. And yet one additional explanation is to be found in our greater interest in protecting the plateaus, and in opening more routes to them, rather than in raising the floor.

## The individualist approach

An example of this orientation is the labor unions' insistence on a high minimum wage for youths working on community work projects designed to train them. The unions will not accept the idea that the minimum wage — which is, oddly enough, one of the supports of the plateaus in our peculiar system, for upon it is established the higher union wage — may be given up even briefly for training. It is even less likely that they would accept the idea of a lower minimum wage for young and presumably less experienced and less responsible workers in general. The auto insurance companies insist on charging the driver under 25 a higher premium, to make up for his irresponsibility, but the unions will not let the employer pay him less, which the same characteristics might justify. And now the labor movement announces it will open a drive for a $2.00 minimum wage, which can only exacerbate youth unemployment. The problem is an old one. Helen Bosanquet, in her report of the work of the Poor Law Commission in England in the 1900's, did not have to worry about youth unemployment, but she was concerned about unemployment among the older workers, and she made the sensible point that "the remedy lies partly with the trade unions, which should make uni-

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versal their occasional practice of allowing older men to earn a lower wage than the younger. . . ."

Obviously the unions could offer many good arguments against weakening the line that holds the minimum wage for some work. But we are here less interested in the specific content of the arguments than in what we learn from them about the American style of response in such matters. We might sum up the style in a single word: *individualism*, – and I am willing to use that difficult, spongy term because I think I can demonstrate that it does characterize our distinctive inability to build a high floor. For example: unions will argue that no exception can be made to the minimum wage because every wage must be a living wage. But do we need a living wage for every *individual* or do we need a living income for every *family?* It is because we think of the individual worker alone rather than of the family that we find it easy to accept as a public policy that 16-year old drop-outs without experience should be paid the same wages as heads of families – which is the policy of our youth employment programs. What is this but a surprising excess of individualism? It is because, once again, we seem incapable of thinking in family terms that in our Youth Conservation Camps we make it possible and easy for all the income (and it is substantial) to be given *to the youth himself*. It is interesting to reflect on the social change implicit in the departure from the practice of the New Deal's CCC camps, where in contrast almost all the money went *to the boy's family*. The program itself was considered valuable primarily for its contribution to family income and for its conservation work, not for its education in work habits. It is even more sobering to reflect whether an incentive to work so as to improve one's country and aid one's family at home was not perhaps more effective in teaching better work habits – though this was not part of the explicit intention of the CCC – than the direct effort to teach good work attitudes and work skills on which we are now engaged.

Alvin Schorr, one of our most subtle analysts of social policy, points out how our programs have again and again begun with the individual, and only as an afterthought have been forced to realize that most individuals are still parts of families: "For example, the Social Security Act was enacted in 1935 and family benefits were added in 1939; disabled workers were covered in 1956, and their dependents in 1958. In the aid to dependent children program, Federal participation was at first available only for the children in a family home; participation in aid to mothers was added fifteen years later. Fathers in need because of unemployment [were added only in 1962]" – and we might add only after much evidence that the ADC program that excluded fathers was effectively breaking up homes.

Our jagged floor represents our virtues as well as our defects – if, that is, we are to consider, as I do, that a concern for the individual as an individual, freed from the restraints of the family as well as of other traditional organizations and institutions, is in some measure a virtue. One of the reasons why the unions insist on a living wage

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for young working people without responsibilities, and one of the reasons the government is willing to grant it, is that we do expect our young people to move out of their homes young, to marry young, to support themselves in an independent establishment rather than help support their parents or younger brothers and sisters. But then we must also be aware that our system of wage reward and public assistance erode more rapidly whatever remains of family and kin loyalty. It is their familial loyalties, we must realize, that makes it possible for impoverished countries – far, far poorer than our own – to manage with almost no system of public welfare at all.

Our jagged floor also reflects another mixture of virtues and vices – the degree of autonomy possessed by states and communities in this country, an autonomy which permits some to attain high levels of social concern and social practice, others to fall far short of them. We are well aware of the potential and actual faults of this system of local autonomy: the fact, for example, that some states and counties are too poor to properly carry out their responsibilities to the needy, and that others, even though they may have the funds, will not. The degree of this variation from state to state is, from the point of view of the unified and homogeneous nations of Europe, almost fantastic. New York and Illinois provide an average of more than $200 a month for families with dependent children; Mississippi and Alabama an average of less than $50. In the North and West, aid to families with dependent children is given on the assumption that women with young children should not work but should care for them. In large parts of the South, where Negro women with young children and without male supporters have worked since the days of slavery, they still work.

## The color of American poverty

I now come to the most distinctive dimension of American life, which gives a unique coloration to our poverty problem and which is undoubtedly the chief reason why poverty has become a major issue in this country. This is the race problem – and I would place this within the larger context of the ethnic and racial composition of the American people. *The chief reason why our impoverished population forms a major social problem, and England's does not, is because of who they are.* Over there, they are the bottom stratum of almost randomly defined unfortunates, with no common social definition larger than that of being casualties of the welfare state. Here the bottom stratum is a group defined by more than bottom-ness. It is true that the statistics show that only one quarter of the poor, as defined by the $3,000 income line, are Negroes. But this overall estimate of the poor, as I have pointed out, is in part a statistical artifact. The poorest, as defined by the public assistance rolls, are in much larger proportion Negro, Mexican American, and Puerto Rican. In many of our great cities, the majority of those who seek public assistance are Negroes.

It is the civil rights revolution that makes poverty a great issue

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in America, not merely the fact of poverty. And in other developed countries, it is the absence of a great social division coinciding roughly with the line of poverty that keeps poverty from becoming a great issue. It is true that those seeking national assistance in England are probably disproportionately colored, perhaps disproportionately Irish immigrants. But these groups are smaller and are not yet significant forces in English politics.

Nor can we separate the cluster of issues we have summed up under the ideas of individualism and of state and local autonomy from the fact of racial division and ethnic complexity. We cannot in this country set the kinds of universal standards that a more homogeneous country can – and our efforts to do so bring us far more perplexities. Let me again refer to the debates around the Poor Law Commission of 1909 to indicate a contrast. Sidney and Beatrice Webb at that time analyzed the problems of poverty in an industrial society in terms that we can scarcely improve upon today. They defined its causes – in age, illness, poor education, unemployment – very much the way we do today. Their proposed programs were also similar to those which advanced social workers and labor market economists would suggest today. They emphasized the overall principle of prevention, and they associated with it three other principles – the principle of Universal Provision, or floor-building, the principle of Curative treatment, or non-punitive and truly helpful aid, and finally, the principle of Compulsion. At that point, we may notice the difference. Compulsion meant that if parents could not raise their children properly, the children might be taken away. It meant that, if men would not prepare themselves for useful labor, they would be required to do so. The principle of Compulsion reflected their feeling that all Englishmen may potentially agree on what is a proper way to live, and which measures a government may adopt to require it. The British, in fact, never accepted the principle of Compulsion – it turned out they didn't need it. But in some of the advanced countries of Northwestern Europe today, those who will not live properly in public housing may be put officially under the care of social workers who will teach them how to arrange their lives and to raise and discipline their children.

Recently I have read an account – again by Alvin Schorr – of French social workers. The French system of social security places great emphasis on the care and protection of the family. The social workers themselves are trained primarily in two areas – in nursing, and in the various laws and regulations governing the social services. They work with single families, and are responsible for getting for their families the various kinds of aid the law provides. One gets an image of self-assured and energetic women (they are all women), confident of the quality of their training and the virtues of the law, arranging matters for these families, in a way in which our social workers would never dare – because ours are aware, as Americans must be, of the vast difference in the attitudes of different families, in their kinship structures, in their ways of life. The sophisticated

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among us may take this into account – but we all know it is an incredibly complex problem to decide just *how* to take this into account. Should we turn our poor into respectable, middle-class Protestants? Do they want to be so turned? Is this the only way to solve their problems? Is there another route? But these are the questions of the sophisticated. Most of our social workers, we must realize, react with distaste to different standards, norms, values, and behaviors, the same distaste that the self-assured French social worker would probably feel when confronted with the incomprehensible foreigner.

Of course when I speak of social workers I have in mind, too, the vast numbers of other personnel – counsellors, teachers, testers, policemen, probation officers, vocational experts and the rest that the well-administered welfare state requires. They, of course, reflect the great variety of cultures, behaviors, standards, that exist in this country – and they react with varying degrees of uncertainty, irritation, and distaste to the variety of behavior and standards that they meet among those they are supposed to help. And, of course, for many, distaste is erected into a rigid and formalized reaction, which condemns whole races to treatment less than fully human.

We cannot adopt, to the same degree that other nations can, the principles of compulsion and national uniformity because the standards which we would make uniform do not, as a matter of fact, evoke the same general degree of acceptance and commitment that they do in those nations with a narrower ethnic and racial base. In this country, all of our ethnic and racial groups have met a remarkable degree of official indifference to the pursuit of their own ways, the creation of their own social institutions, their own schools, their own political movements. The standards of the white Protestants, if they become law and practice, are inhumane or inadequate or ineffective for large parts of our population. And yet practice and law must assume *something*. Are children to be held responsible for their parents? Are men to be held responsible for their children? Should effort be rewarded? Must men be motivated to work by the threat of poverty? I would argue that, however we answer these questions, on one side or the other, they are much easier to answer in Sweden or Germany or England than in the United States, simply because of the greater cultural and ethnic uniformity of those countries.

## Our peculiar bureaucracies

I would point finally to another related aspect of the poverty problem which distinguishes us from the other developed nations. I mean the nature of American bureaucracies. Again, one key fact will suggest to us how significant this problem is. One of the most characteristic enterprises we have seen proposed in the Community Action Programs to fight poverty consists of efforts to increase pressure on government bureaucracies. We are all acquainted with such programs; they organize the impoverished community to press its demands upon the schools, the housing inspection services, the police,

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and so on. The assumptions behind such programs, developed by sociologists and social workers, are also clear. Government services respond to pressure. They are better in middle-class areas than in working-class areas, in part because the pressure there is greater. They can be made responsive to the poor and their needs and demands only if the poor organize and put pressure on them. I would now like to suggest, again from the perspective of Northwestern Europe, how astonishing such an enterprise is. There, it is assumed that, if ones wishes to improve education, or the organization of the labor market, or police work, one does something political or legislative or administrative which leads to new forms of organization and new and expanded programs. We do this too, of course, but our more sophisticated social workers and sociologists see little gain from such efforts. They suggest that government funds should go to set up organizations that counterattack other major government efforts, that the best way to improve services is by attack from the outside, rather than by reform from the inside. When local government protests that federal money is used to attack it and its services, the Federal administrator will have to explain: but that is the only way to get you to do your job.

I am not sure just how successful this new approach will be. I think that, in the end, the art of using government funds for what we may call controlled revolution will turn out to be too demanding for both Federal administrators and local community-action organizers. But leaving aside the effectiveness of this technique, what do we learn from the fact that it is so popular here, and almost unknown, so far as I know, in the welfare states of Europe? We may conclude that our bureaucracies are more difficult to adapt to new needs than those in Europe, and that reformers, progressive administrators, and clients alike despair of making any great impact upon them, and so prefer to set up competing organizations, or to attack bureaucracies to *force* them into change. This is true even where much of the power is in the hands of the reformers, the liberal administrators and the client population – as it is in New York City. We may speculate upon the causes of this presumed rigidity and inadequacy of our bureaucracies. I would suggest that one of the underlying causes is the ethnic and racial difference that inevitably develops between bureaucracies and client groups in a nation characterized by a history of waves of immigration into our large cities, each of which takes over the jobs of the bureaucracy at different times. The older group, confronting the newer group, is unable to understand and respond effectively to their problems.

On occasion we do become one nation – in wartime, when there is need for everyone's labor, and we perform wonders that even advanced welfare states come to study. But the pressure on us is rarely that great. We do not run a tight ship. We are not short of labor. We need not compete for overseas markets to live. And in the absence of such pressures, and in the presence of ethnic and racial diversity, we find it difficult to draw forth from our government servants and

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social workers the degree of human effort and empathy and compassion that is necessary to transform and change people. This is why the simple elaboration of bureaucracies with more funds evokes such little enthusiasm from sociologists and social critics. Economists, I believe, must assume that the reallocation of resources to certain services will improve them. While those who administer these services can never admit it, they are themselves not so sure that the mere provision of more personnel and resources will actually improve results.

I believe we must take the measure of our strengths and weaknesses more adequately than we have done, and adapt our efforts to them. I would argue that we cannot probably do as much through centrally administered state social services as Europe has done. But I think we can do other things better. Much more of our achievement has come from private, group, voluntary and non-state effort – whether in the form of private business for profit or voluntary efforts for social ends. We are remarkably efficient – as Eric Hoffer and others have pointed out – in organizing work. The W.P.A. in the Great Depression and the war effort in the Second World War both stand as examples of the rapid employment in efficient work of millions of workers, with relatively little investment in special work-education, counselling, social services, and the like. Our entrepreneurs are efficient and ingenious in the development of new kinds of services. Private groups of all kinds – religious, political, trade union, charitable – have been ingenious in designing programs to help their own members and others. The returns from such efforts are often as surprising as the weakness of official and governmental efforts is depressing. For example, of all the new types of social programs that have been started in recent years, volunteer tutoring programs show perhaps the highest degree of success in relation to effort. For another example, consider the Freedom Schools and Community Centers that are being planted in the Deep South. I cannot conceive of official governmental efforts that could be anywhere as effective. The really creative part of our consideration of the problem of poverty must be to learn how to stimulate such efforts, how to support them, how to put government funds into them without blighting them.

And since the problem of poverty is so largely concentrated in our Negro population, I am convinced that much of the effort and manpower involved in overcoming it must come from the Negro community, even if the funds that power it come from the Federal government. It is axiomatic to me that Negro organizations – whether they educate, train, advise, employ, organize or what not – can potentially do far, far more with Negro clients than can governmental organizations. It is in the stimulation of individual and group effort – whether motivated by profit, charity, group pride, or the desire for individual fulfillment or salvation – that I see the most productive courses we can follow to overcome poverty.

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WHY ARE THE POOR STILL WITH US? (2)

# Where welfare falls short

EVELINE M. BURNS

I find it helpful to break down the "war on poverty" into five major strategies:

(1) There is first the approach which emphasizes lack of jobs or of capacity to hold jobs as the major cause of poverty.

(2) There is the approach which stresses "loss or interruption of income" as the important problem.

(3) There is the approach which places emphasis on the dire effects of heavy, irregularly occurring, but widespread charges on incomes, even when incomes are not interrupted.

(4) There is what I would call the income-deficiency approach which, unlike those previously mentioned, stresses the need to assure some minimum income for all, regardless of the cause of the deficiency.

(5) Finally, there is the approach which holds that it is not enough to ensure that people have jobs or some form of socially-provided income, but insists that certain types of social services must be made widely available if poverty is to be finally eradicated.

## I. The Employment Approach

This is the approach underlying recent social policies. On the one hand, an increase in the number of jobs is sought through efforts to raise the general level of employment by tax cuts and other measures, through attacks on structural or geographically-localized unemployment by such programs as Area Redevelopment or the Appala-

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chia plan, and through special work programs for the young or accelerated public works for the unemployed in general. On the other hand, efforts are made to improve the employability of potential workers through training programs under Area Redevelopment, the Manpower Training and Development Act and the community work and training programs for public assistance recipients under the Social Security Act. More recently these have been supplemented by a bewildering array of education, training and human reclamation projects under the Economic Opportunity Act. The diagnosis is clear: elimination of poverty is a matter of creating more jobs and equipping people to fill them.

All of these programs are useful and worthwhile, in varying degrees. But a closer look at the composition of the poverty population raises serious doubts as to the extent to which many of the poor would be able to benefit from full employment and an enhancement of employability. Mollie Orshansky's estimates, which are undoubtedly the best as yet available, yield a figure of 34.6 million people in poverty in 1963. Of this group, 5.2 million were persons 65 or over. It seems unlikely that many of these older people will be helped out of poverty by full employment, retraining, or even basic education.

In addition, a sizable number of family heads and unrelated individuals were ill or disabled. Of those who either did not work at all, or who worked only part of the year, illness or disability was given as the reason by 18 percent of the male family heads, 14 percent of the female heads, 24 percent of the male and 17 percent of the female unrelated individuals.

A third important component of the poverty population is the 2 million families (including 5.7 million children) where the head *was* in full-time employment throughout 1963. To these must be added another half million unrelated individuals who were also fully employed. For these groups there would seem to be two roads out of poverty. One is higher-paying jobs rather than more jobs; and to the extent that such persons might need further education or training to equip them to hold better-paying jobs, the wisdom of so largely concentrating *training and retraining on the unemployed might* be questioned. The other is, for those with standard wages but unduly large families, some form of income subsidy (a topic to which I shall return later).

A fourth group among the poverty population likely to be little assisted by the full-employment approach comprises the families with children headed by a woman; these families numbered 1,570,000 and included 4,540,000 children. Although we do not have detailed knowledge of the characteristics of the total group (we do know that about 160,000 of them are employed), we possess some information about those – over half – who are supported by the Aid to Families with Dependent Children program. As a group, the mothers in these families, in addition to being burdened with the care of children, are poorly educated; to the extent they have worked, they have been in unskilled, low-paying employment; they are disproportionately

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non-whites. Even if their educational and health deficiencies were corrected, few of these women would be able to take advantage of broadened employment opportunities in the absence of adequate social provision for day-care centers or homemaker services to care for their children.

For all these poor people — and they form a clear majority of the total poor — remedial action must be sought outside the full-employment approach.

## II. The Interruption-of-Income Approach

a) *The Availability of Protection*

A concern about loss or interruption of income has been the most pronounced feature of American social policy in the last thirty years. And like most other countries, we have envisaged the problem as one of identifying specific risks to continuity of income and providing special programs for each identified risk. This policy entails certain consequences.

First, if it is to be successful, once a risk is identified, all persons subject to it must be covered by some appropriate program. This we have not done. Even our program of old age, survivors' and disability benefits under Social Security excludes about 10 percent of all workers (although pending legislation may significantly reduce this proportion). Workmen's compensation and unemployment insurance cover only about four employees out of five. Temporary disability insurance exists only for railroad workers and for about four out of five other workers in four states.

Second, all forms of interruption or loss of income must be identified and provided for. This we have not done. Typically, unemployment lasting more than 26 weeks has not been accepted as a risk for which specific provision should be made. Only a handful of states provide for extended benefits beyond this period. Only twice in our history, when persistent unemployment became a national scandal, was Federal action invoked to facilitate payment of extended benefits, and on the first occasion only 22 states took advantage of the Federal offer. Less than 20 states have availed themselves of the possibility of extending Aid to Families with Dependent Children to cover families where the father is not absent from the home but is unemployed, and only about 60,000 families currently receive income from this program. From the point of view of assuring income to the long-period unemployed, the country is indeed less adequately equipped with special programs than it was in the mid-thirties!

Only reluctantly have we come to recognize another risk to income security — namely, family break-up for causes other than the death of the breadwinner. Over the years, the number of recipients of Aid to Families with Dependent Children has steadily grown, despite the existence of survivors' benefits under Social Security, which today assures some income to about nine out of ten families when the breadwinner dies. This growth (over 4 million persons are currently on the AFDC rolls) has been accompanied by a change

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in the composition of the case load. No longer corresponding to the earlier image of the "blameless" mother (usually a white widow) left alone to care for her children, the present AFDC population consists to an ever-increasing degree of women who are legally separated or divorced, who are deserted, or who are unwed mothers. Discovery of the prevalence of this risk to continuity of family income has not been accompanied by efforts to devise a program which would appropriately meet the needs of the group affected. Rather the reaction has been, in all too many states, to restrict access to the only existing program, AFDC, and to deny aid to families where the mother is held to be having illicit relations with a man, or to have produced illegitimate children, or who for other, often specious reasons, is held not to be providing a "suitable home." Even where aid is given, its amount (as I shall later indicate) is typically lower than that received by other assistance recipients (e.g., the blind).

But it is perhaps the third requirement of the "risk approach" that we have so dismally failed to meet in this country. This is that even with the most skillful diagnosis of causes, and with the most careful drafting of eligibility requirements, not all cases of income-loss can be fitted into the available "risk boxes." It has therefore always been held that an essential complement to this kind of attack on the problem of income-discontinuity is the creation of a residual assistance program for which the sole eligibility requirements would be need *regardless of cause*. This we have not done. In some states or parts of states, general assistance to all intents and purposes does not exist. Elsewhere, access to general assistance is limited by residence requirements, by refusal to give assistance to families in which there is an employable member, or in which it is held that relatives are able to support the applicant (whether or not such support is, in fact, forthcoming), or by sheer lack of funds to provide aid to clearly eligible people.

b) *Levels of Income Assured*

Determination that one is eligible for benefits or payments from one or more of our current income-maintenance programs is no assurance that one will thereafter be living above the poverty line. The most liberal payments are in general found in the social insurance programs; yet two-thirds of our retired couples receive less than $158 a month, the average for an aged couple being $130. And widows receive only 82½ percent of their spouses' single benefit.

Among disabled married workers who are 50-64 years of age, and who are supported by the Social Security program, median income from all sources (including the government benefit and earnings of spouses) in 1960 was $3290 — but one in five of the units had an income of less than $2000 a year. The unmarried disabled beneficiaries' median income was only $1260, and nearly a third of this group had income of less than $1000.

The inadequacies of unemployment insurance benefits are notorious. Average weekly benefits have declined from 42 percent of

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average weekly earnings in 1938 to about 35 percent in recent years. The depressive effect of the legal benefit maximums is most felt by the family head, whose earnings tend to be higher than those of single beneficiaries and secondary wage-earners. By reference to an absolute poverty standard, 35 percent of 1963-4 earnings may more nearly raise beneficiaries above the poverty level than the 42 percent paid in the low wage years of 1938 — on this, I know of no evidence. But it must be recalled that the adequacy of unemployment benefits must be judged in relation to the period of time for which benefits are payable. If a worker is unemployed only 15 weeks, he can supplement his unemployment insurance with savings or he can defer certain expenditures; if he is unemployed for 39 weeks or more these possibilities begin to disappear.

Few people can realize how shockingly low are the payments received by the seven-and-a-half to eight million people who at any given time are supported by public assistance — for if they did, they would surely do something about the situation. In principle, these payments represent the difference between the amount of the applicant's own resources (and usually those of any legally responsible relatives) and the cost of the minimum basic needs as set by the state. These crucial standards of needs and their costs are in most cases below, and often far below, the poverty level. In January, 1963, the monthly cost standard of basic needs for an aged couple fell below the Orshansky poverty level ($154.58) *in 33 states,* the median standard for the nation being $145.10 a month.

The showing in the AFDC program was even more miserable. This program, it may be recalled, is the source of income for over four million people; and while only four children in every hundred are supported by it at any given time, due to turnover, it has been estimated that one-sixth of all children have received AFDC at some time. For a family of four headed by a woman, the Orshansky poverty standard would require a monthly income of $259.60. Only three states set their minimum budgets at, or above, this level. For the country as a whole, the median AFDC standard of basic needs for a family of this size was $202.95: in several states it was around $150 a month.

But only 19 states actually make payments sufficient to bring all eligible AFDC families up to their own excessively modest minimum standards! The others set dollar maximums to the payments to any one family, regardless of its size or needs — or, for financial reasons, pay only a percentage of the sum that elaborate investigation has shown to be needed. The reductions are often considerable. The highest monthly amount payable to a four-person family headed by a woman is less than 50 percent of the total cost standard for basic needs (as defined by the state) in 9 states: it is less than 60 percent in 13 states.

It thus should not surprise us that, in late 1961, the average AFDC family of about four persons had income (including assistance and all other sources) of approximately $140 a month, and in

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*no* state did the total income of such families average as much as $2400 a year. Yet the SSA poverty standard would call for $3115.

c) *Needed Improvements In Income-Maintenance Programs*

It is convenient to discuss separately the social insurance and the social assistance programs. In social insurance, the obvious first essential is to broaden coverage, so as nearly as possible to include 100 percent of those exposed to the defined risk. For old age, permanent disability, and loss of a breadwinner we are within sight of that goal. For short-period unemployment and occupational disability, there would seem to be no good administrative or other reason for the exclusion of workers in small firms or agriculture, though admittedly domestic employment coverage in unemployment insurance would create some awkward administrative problems in connection with the provisions relating to voluntary leaving, the payment of prevailing wages, and discharge for good cause.

The unlikelihood that all the states will follow the example of the four that have enacted temporary disability insurance (the last law was enacted in 1950) suggests the inevitability of Federal action if this risk to continuity of income is ever to be adequately provided for. In fact, a very small change in the wording of the Social Security Act would accomplish this. It would merely involve dropping the word "permanent" and eliminating the qualification that disability must be "expected to continue indefinitely or to result in death."

More difficult problems are presented by the effort to ensure at least a poverty level of living to all recipients of social insurance. For our social insurance programs are all wage-related in principle, and typically aim to replace only a fraction of previous earnings. To the low-paid worker, especially if, when employed, his income was below the poverty level, such a fraction will be far from adequate. Yet to provide even a poverty level will result in giving him more as a benefit than he was previously earning!

But the wage-related character of our social insurance programs presents a further obstacle to using this instrument to assure all beneficiaries at least a poverty standard of living. For such a system has to maintain differentials. Indeed, to many people, including organized labor, its most important objective is thought to be ensuring retirement incomes considerably above the poverty minimum to the majority of workers who normally earn much above poverty wages. As a result, increases in benefits at the lower end of the scale are invariably accompanied by increases at the upper end. But this may lead to earmarking an altogether disproportionate share of available funds to support of the disabled, the survivors, and above all the aged.

An important feature of our social insurance programs which tends to make it difficult to use them to assure every beneficiary an income at least equal to the poverty level, lies in the method of financing we have adopted: specifically, our decision that all costs must be met by wage and payroll taxpayers, now and in perpetuity. These include costs attributable to the heavy weighting of the insurance

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formula in favor of those with the lowest average monthly earnings, and to the increased benefits created when money increases are given to the already retired as well as the benefits given to people with very short periods of coverage. In consequence, workers in the higher earnings brackets receive a benefit that is much smaller in proportion to their previous earnings than do the low-paid workers. As we progressively raise the taxable earnings limit, we may expect more and more resistance from the higher paid, who may well come to find that, for the additional social security taxes they pay, they could do better for themselves by using the money to buy commercial insurance.

It is for these reasons that I believe we are unlikely to assure all the disabled and the aged and the survivors of wage-earners an income at least equal to the poverty standard through the mechanism of our self-contained social insurance system. I suspect, if this is our minimum aim, that we shall have to follow the example of Canada and Sweden (and, in effect, Great Britain) and provide for some form of a "demogrant" for these people – i.e., a uniform payment to certain categories of persons identified only by demographic (usually age) characteristics. If it is desired to provide income in excess of this sum to the higher paid workers, it would be possible to provide for a compulsory wage-related system on top of the demogrant – i.e., a double-decker system such as has been adopted in Great Britain and Sweden and is currently proposed in Canada.

The problems encountered in the effort to increase public assistance payments are different. For here, decisions as to the character of the programs rests with the states and, in many cases, with the localities. Hence two problems are faced. How to make it possible for states and localities with limited resources to meet higher standards if they wish to do so? And how to persuade the states and localities to wish to do so?

The grant-in-aid device has been used to meet the first problem, but it has been only partially effective. There is no Federal aid for general assistance. Moreover, the formula for the Federally-aided categories contains only a relatively small element of variability and the major effect of grants-in-aid has been to put more and more Federal money into the program for rich and poor states alike. Finally, the Federal government sets a bad example by discriminating against children – the matchable maximum being only $30 per recipient for AFDC, as against $70 for the blind and disabled, and $85 for the aged.

Changes in state policies have been hard to achieve. Federal standards, to be met as a condition of receipt of Federal aid, have indeed transformed much of public assistance since 1935. But on one vital aspect of public assistance, the definition of the minimum standard of living to be assured (and conversely the criteria of need that governs eligibility), the Social Security Act has been silent. The states are not even required by the Federal government to meet their own (often very low) basic budgetary standards for all eligible people. And in one respect Federal leadership until recently has

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perpetuated one of the very worst features of public assistance, namely the excessively detailed determination of budgetary needs, and the degrading necessity for the client, given the exiguous nature of the basic budget, to have to beg for and justify every item of expense not covered by the budget. More recently, Federal leadership has been urging simplification of this process. But even so, it is not wholly certain that there is full recognition of the limits to what can be achieved in the way of simplification, without major policy changes.

### III. Unusual Drains Upon Family Income

At least two kinds of unusually heavy and often unpredictable drains on income have been identified by most developed countries as causing poverty, and have been the focus of specific social programs — namely the costs of medical care and the costs of child-rearing.

So much has been written about the uneven incidence of medical costs, and their frequently devastating effects on family security, especially for the aged who have little opportunity to replenish their savings, that it should be unnecessary to repeat the well-known facts. The plight of children who are members of relatively large families is, however, less generally recognized. The influence of family size on poverty is indicated by the fact that of the almost 15 million children falling below the Social Security Administration's poverty line, no less than 9 million were members of families with four or more children — and of this group 6.6 million (or over two-thirds) were in families headed *by a male*. Children in families with three or more children acccunted for almost 12 million out of the 15 million; of these, two-thirds were in families headed by a male. And it is important to recall that 5.7 million of the children in poverty were members of families in which the breadwinner was regularly employed throughout the previous year.

In both cases, social policy in this country has so far recognized the problem only through the income-tax structure. Deductions or exemptions up to a certain amount are granted for medical expenses and for dependents. But this approach to the problem has two serious disadvantages. It confers the largest benefits on those who need assistance least, namely those in the higher marginal tax brackets. And many of those whose income deficiencies are greatest, are least able to benefit from the exemptions or deductions, for their incomes are so low that they fall far below the sum of the exemptions and deductions they could legally claim.

Recently, suggestions have been made for a limited "negative income tax" which would involve paying to such families the *tax value* (usually at the first bracket rate) of the exemptions and deductions they are unable to claim. But even this policy would serve only to reduce the income deficiency of the large family by a fraction. It is, in effect, merely a very modest income-conditioned family allowance.

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The most usual way in which other countries have attacked the poverty-causing effect of size of family has been through some system of children's allowances. An allowance is payable either in respect of all children or of children in excess of some given number, regardless of the income of the parents. In a few countries, the system is a true demogrant, all children below a certain age being eligible. In the remainder, the payment is tied to coverage under a social insurance program or to the fact of employment. In the former case the cost is usually borne out of general revenues: in the latter, it is covered by social insurance contributions. In general, with the notable exception of France, the payments are modest in amount, and aim to supplement family income, rather than to provide for the full cost of rearing a family.

Medical costs are very generally covered by some form of compulsory health insurance or, in a few countries of which Great Britain is most noteworthy, by a free national health service. The important point is that the income-security system in such cases is not expected to cover these unpredictable and unevenly distributed costs.

## IV. The Income-Deficiency Approach

Given on the one hand a concern about poverty and on the other the difficulties of assuring some basic minimum to all through the classical social insurance and public assistance systems, it is not surprising that increasing attention has been paid in recent years to more comprehensive systems that would assure some desired minimum income to all, regardless of the cause of the income deficiency.

Two such proposals have recently received considerable publicity. The first is the so-called Negative Income Tax approach, recently popularized by Professor Milton Friedman and Mr. Robert Theobald, but familiar as an idea to students of social security and income distribution for many years. The second is the Social Dividend or Guaranteed Income proposal, long a familiar concept in socialist literature but made academically respectable through the writings of Lady Rhys Williams, Professor Peacock, and others.

The Negative Income Tax proposal has taken various forms. Some would have a Presidential Commission define annually a minimum income, others would take the sum of personal exemptions and the standard deduction in the income tax as defining the minimum sum which society deems necessary to ensure the basic essentials of living and would provide that above this level individuals pay taxes while below it they receive payments ("negative taxes") equal to their income deficiency.

The negative income tax, based as it would presumably be on declarations of anticipated income, would involve awkward administrative problems when realized incomes fell below those anticipated because of unemployment or sickness or whatever. Quite apart from questions of the level of payments, as compared to those available under current unemployment or disability insurance or workmen's compensation systems, it is doubtful whether even on grounds of

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administrative simplicity the Negative Tax would have much to commend it, at least for short-period or occasional interruptions of income. The administrative problems would, however, be much less serious if the system were confined to the long-period risks.

In the last analysis, the Negative Income Tax is merely a device for replacing a highly personalized and offensively administered test of need with one that is more impersonal and which, being already applied to all income receivers in their capacity as taxpayers, is accepted as carrying with it no stigma. As such, it is a real step forward. But it would still leave the population divided into two obvious groups, those who are "poor" enough to qualify for the negative tax and the rest. Some people would still be differentiated from others on the basis of economic status.

The universal payment or guarantee, on the other hand, would have the advantage of treating all people equally. The question of the level of the guarantee would be of interest to all: it would not merely be a question of what was suitable for the "poor". It would eliminate the necessity of any eligibility test based on economic status, and avoid the awkward policy issue of what is and what is not "income" for Negative Income Tax purposes. It would escape the administrative difficulties associated with either the assurance of income to persons whose incomes in any one year prove to be less than estimated in the initial income declaration, or of collecting repayments in the event that actual income proves to be greater than estimated.

It is for these reasons that if we should ever contemplate a shift away from the present complicated structure of social security programs, with their different and often offensive or arbitrary eligibility conditions and their varying benefit levels, I hope we shall move towards the demogrant rather than some version of the negative income tax. There are obvious limits to how fast we might move in this direction: the idea of the universal minimum, though increasingly accepted in theory and in some practices, is still far from universally approved, especially when minority groups are in question. In so heterogeneous a country as ours, with the per capita income of the poorest states only half that of the richest, any national minimum would probably be, initially at least, very low. It would therefore not obviate the need for supplementary measures. Yet there would seem no good reason why we could not, even now, adopt the policy for the aged and the permanently disabled and even perhaps for survivors. And we could at least make a beginning for children, with a modest children's allowance.

Several major questions are raised by both the Negative Income Tax and the Guaranteed Minimum (either in its universal form or as limited to certain population groups such as the aged and disabled or children). First, is the question of expense. Orshansky has estimated that the income deficiency (relative to the Social Security Administration's poverty standard) of the 34.6 million persons in poverty was approximately $11.5 billions. Presumably all these indi-

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viduals and families would be eligible for Negative Income payments of varying amounts. In fact, however, the total payments might be higher than $12 billion if knowledge of the availability of the Negative Tax payments were to reduce the incentive to work of some of those now earning, a consideration to which I return below. And this sum would, of course, *be additional* to whatever is contributed from tax funds by way of public assistance ($4.7 billions in 1963) and by way of the social insurance and veterans' administrations to members of the group, both of which probably form a substantial part of the $17.3 billions of income received by the 34.6 million poor.

Payment of a demogrant or universal minimum to all the aged, assuming a payment of $75 a month per person, would have cost $15.8 billions in 1963 and would rise to some $17.5 billions by 1975 with the growth in the aged population. From this sum it would be proper to deduct much of the expenditure on current programs for the aged (approximately $12 billion) to arrive at the cost of supporting the aged at this level. Presumably also the additional tax exemption now granted to the aged (costing around $400 millions in revenue) would also be abolished.

A children's allowance, even at the modest rate of $20 a month payable to the nation's 66 million children, would involve $15.8 billions annually and would rise sharply with the growing child population. But from this one would have to deduct the revenue lost because of income-tax exemptions for child dependents.

The costs of these three income deficiency programs are indeed considerable in absolute terms. They loom less frightening when compared with other public expenditure items in 1963 such as national defense ($53.4 billions) or health, education and welfare, including veteran's programs ($36.0 billions), and are only about the same as was spent on agriculture and commerce ($12.5). What is even more important however, is the probable future trend of our Gross National Product and the yield of Federal revenues. It has been estimated that over the next ten years, at a growth rate of 3½ to 4 percent a year, GNP by 1975 will rise to $950 billions and, if no changes are made in tax rates and structures, federal revenues would rise to $180 billions or $58 billions above present levels. In terms of very broad social policy, the issue would seem to be how far we *wish* to use our growing affluence to assure minimum income to the poorest, how far we wish to use it for other needed items of government expenditure (such as health or education), and how far we use it to increase the income of the more comfortably off, through tax cuts. *But it is a matter of choice of how to spend, not of capacity to afford.*

One consideration would, of course, be the economic – as against social – effects of continuing present relatively high tax rates. Here we have little in the way of hard data to support conclusions either way. The stimulating effect of the tax cut last year would seem to suggest that taxes in general are already at a level that is depressive of growth. But it might well be the fact that, at *any* given level of

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taxation, a tax cut would stimulate at least a temporary business upsurge. On the other hand, despite the sharp increases in the tax-take over the last 30 years, the economy has in general forged ahead. With the possible exception of the impact of the corporation tax on the supply of investible funds for new or growing enterprises, there seems little solid evidence that current tax levels either seriously impede the desire to invest or dangerously reduce the supply of investible funds, although there are indications that they have influenced the kinds of investments people make.

Serious concern has also been expressed about the effect of a significant negative income tax or a selective or general income guarantee on the supply of effort. To the extent that such payments go to the aged or to the disabled, this consideration is probably of minor significance. The same is probably true for the families headed by women. (I cannot refrain from commenting at this point that some of our alleged social policy dilemmas arise from our unwillingness to recognize that the work of keeping house and child-rearing is an economic function which ought to be given a money valuation and entered in our calculations of G.N.P.)

But the problem may arise for individuals in the "employable" age groups, for it can be argued that up to the level of the guarantee there would be no incentive to earn. Friedman has endeavored to meet this difficulty by providing for the payment of only a fraction of the income deficiency. But unless the fraction yields a sum that is sufficient for minimum security (a figure that could be assured only if the dividing line between taxpayers and tax-receivers is set relatively high) his proposal will not obviate the need for other public measures to provide minimum security. And if the fraction does yield a significant payment to the man with zero income, the problem of incentive is not eliminated. It is perhaps no accident that Friedman's illustrations appear to envisage very small negative income taxes.

Another approach is that used by New Zealand's and Australia's income-conditioned programs which, like our earned income Social Security retirement test, permit the recipient of the standard-minimum-guaranteed-income to retain other income up to some specified amount. Professor Schwartz and Mr. Theobald adopt this solution, although the latter's illustration would permit the recipient to retain only a very small percentage of his income from investments, work or savings.

The more revolutionary proposal for the payment of a Social Dividend or universal demogrant to all regardless of means, would avoid the type of discouragement to initiative found in the simpler forms of the negative income tax, namely that (as is now usually the case in our public assistance programs) every dollar earned merely serves to reduce by one dollar the publicly-provided income. Above the guarantee the worthwhileness of earning would of course depend upon the structure of income tax rates. The additional revenues needed to finance the guarantee would presumably necessitate pretty

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heavy rates all along the income scale, but it seems likely that it would still be possible to offer some inducement to increase incomes above the guarantee. But like the negative income tax, it too would still mean that the individual who was content to live upon the guarantee would be under no pressure to participate in production. Lady Rhys-Williams proposed to meet this problem by requiring employable persons to be willing to accept suitable work as an additional eligibility condition.

There is however no escaping the fact that if some incentive system is to be built into our income-deficiency programs, sizable additions to the cost of the program must be expected. This cost would take the form both of making more people eligible for some negative tax payments and also reducing revenues because of an increase in the income level below which no tax would be payable.

In the meantime we should note that we really know very little about incentive to work. It is obviously different in a country like the United States where the general level of productivity would permit the offering of a significant differential between a poverty-level guarantee and the income from working (even after payment of taxes) and where we are so richly endowed with want-creating institutions than it would be in a poorer country where advertising is less developed. Note, too, that our inferences or assumptions about the desire of the very poor to participate in production derive from observations of a group who have never, or seldom, known what it means to be able to look forward to the future with some past experience of a dependable and reasonably decent standard of living. The real question seems to turn around the level of income that is customarily aspired to and the prospects of attaining it by additional work. The growing tendency of married women to work, the extent of moonlighting and the complaints about "abuse" of unemployment insurance by workers who are not truly unemployed all seem to suggest that in this country the image of the desirable and attainable income is high.

Finally, questions are often raised, especially in regard to children's allowance programs, of the effect on population. Here again, we have no satisfactory evidence. Given the relatively low level of the typical children's allowance, except in France, one would scarcely expect any effect. And even in France, where the family allowance is supplemented by a great variety of other special grants and subsidies to *familles nombreuses,* there is no conclusive evidence. It is perhaps significant that in Canada, the original diminution in the amount of the allowance after the fifth child — in deference to fears of the effect of an allowance on the Quebec birth rate — was quietly dropped after the first few years. It seems likely that the factors which influence fertility and the birth rate are too numerous and varied to be taken into account when discussing children's allowances. Some would even hold that higher levels of assured income may even motivate families toward middle-class attitudes regarding control of family size. More generally, it would seem to this writer that those who

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argue for a direct incentive relationship between the birth rate and the payment of a modest children's allowance (or for that matter a miserable $30 a month for an AFDC child) must grossly underestimate the physical discomfort and pain of a woman who carries and bears a child. For the majority it is no fun at all! To undergo this experience, a woman must either want children as such, or not know how not to have them.

## V. The Service Approach to Poverty

There remain for consideration other types of service (or provision for meeting a need in kind). Among them are the "service programs" envisaged in the 1962 Amendments to the Social Security Act. These are, of course, focussed on the public assistance clientele, and include case-work, community planning, group work, homemaker services, foster care and training for support or self-care. It is as yet too early to make any certain judgments as to the extent to which the states have availed themselves of the Federal grant offer (a liberal 75 percent) or of the effectiveness of the different types of services. It can be admitted that for some of the poverty group personal support and individual counselling are necessary complements to efforts to improve health, education and working skills. But neither should the limits to such assistance be underestimated.

First, it is doubtful whether many of these efforts are not doomed to failure because of the low level of living permitted by our current welfare allowances. Many would argue that social services are no substitute for an adequate standard of living and that more can be accomplished by raising relief payments than by spending twice the sum on skillful counsellors.

Secondly, full implementation of the 1962 Amendments will be a very expensive business: already there are serious bottlenecks of trained staff, and we do not know whether, on a hard benefit-cost analysis, the additional expenditure on these services will be economically worth-while (though in human terms their effect may be very great, if incalculable).

Finally, a serious policy question is raised by the development and expansion of these services as an integral part of an attack on income-deficiency or even income-interruption. For many of the needs the social services aim to meet are not peculiar to the very poor. Access to birth control information and assistance in selecting and using appropriate methods is a generally felt need. Homemaker and day-care services are very widely needed, even by the middle classes. The mother left alone to bring up her children may often need advice and counsel even though she has no financial problems. So too may the estranged couple or the girl who has "got into trouble." It would be unfortunate if, in the area of very generally needed services such as these, we should, as we have already done to a sizeable extent in health services, develop a dual series of services: one run by "the welfare" for the poor, and the other, under different auspices and at a higher level, for those who can afford to pay.

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# Conservatives, Liberals, and the Constitution

MARTIN DIAMOND

The Constitution of 1787 is still the fundamental document of the American polity, it is still the source of its basic institutions and principles, and the Constitution and its law persistently affect the style and substance of American politics. Both Conservatives and Liberals, who stand at the two poles of contemporary American politics, are obliged to come to terms with the Constitution. How each understands it reveals certain peculiarities of contemporary Conservatism and Liberalism.

I shall give primary attention to the Liberal view, suggesting the Conservative view by way of contrast. The Liberal view deserves the greater attention because it has, for some time, been by far the dominant view in the academy; it is closely linked to basic currents in academic political and social science generally; and it has, on the whole, received far more extensive scholarly formulation than the Conservative view.

## 1

For all their differences, Liberals and Conservatives tend surprisingly to agree on the original intention of the Constitution and on the nature of the original institutions it established. Indeed, the more liberal or conservative the writer, the likelier and fuller the agreement. They differ, of course, in that one tends to deplore and the other to applaud, say, separation of powers. But the difference depends on agreement as to the nature of the things deplored or

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applauded. The fundamental difference between the Liberal and Conservative views of the Constitution – and what it is they agree about – can be stated in terms of Madison's famous formulation in *Federalist* 51.

> In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself. A *dependence on the people* is, no doubt, the primary control on the government; but experience has taught mankind the necessity of *auxiliary precautions.* (My italics)

Of the two elements in Madison's scheme, Liberals unqualifiedly prefer "dependence upon the people" and are suspicious of or hostile to the "auxiliary precautions." On the other hand, Conservatives ambiguously accept the "dependence" but they vastly esteem the "auxiliary precautions." That is, Liberals are anxious for a certain kind of fulfillment of the popular will which is their understanding of "dependence upon the people," while Conservatives tend to conceive the Constitution primarily as a set of absolute restraints upon majority rule.

It will be noticed that Liberals and Conservatives thus separate the two elements which, in Madison, form a consistent whole. Why Liberals and Conservatives agree to sunder what Madison joins must be understood in order to understand their respective views of the Constitution. The issue turns on the nature and utility of the "auxiliary precautions." As to their utility, Liberals tend to deplore them, Conservatives to praise them. But as to their nature, Liberals and Conservatives agree that the auxiliary precautions radically qualify the dependence on the people. This is the decisive point: they both agree that constitutional principles or institutions like separation of powers and federalism hamstring or otherwise prevent majority rule. This agreement forms a peculiar and unacknowledged bond between Liberalism and Conservatism.

I would suggest that in this agreement – by virtue of which they cleave the two elements in Madison's formulation – both Liberals and Conservatives fundamentally misconstrue the nature of the Constitution. That is, they both err in failing to recognize the truth of what Madison repeatedly claimed – the fundamental compatibility of the Constitution's restraining devices with a system of majority rule. Because of this error, Liberalism regards the restraining spirit of the Constitution as incompatible with the democratic principle, and seeks ways to short-circuit the constitutional resistances to majority will. And because of the same error, Conservatism unwarrantedly and unwisely seeks constitutional refuges from the democratic principle and from the authority of the government established by the Constitution.

But the attack on the "auxiliary precautions," which is the defining theme of Liberal writings on the Constitution, is not limited to the question of democracy. Closely related to the charge that the Constitution is antidemocratic is the charge that the precautionary re-

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straints which frustrate the majority frustrate also the operation of government generally, thus threatening fatal deadlock and drift. The Constitution thus comes to appear both archaically undemocratic and as rendering government archaically incompetent to deal with modern problems.

## 2

The view of the Constitution as decisively undemocratic stems primarily from the work of J. Allen Smith, Vernon L. Parrington, and above all from the extraordinarily influential research of Charles Beard. Understandably outraged by late-nineteenth-century scholarship and statesmanship that tended to convert the Constitution into a fixed and immutable code enshrining liberty of contract, reformers began to search about for feet of clay, to show that the Framers were not disinterested demigods but men rigging a government to protect their own interests. Debunking the Founding Fathers would emancipate the present from the moral claim of the past and open the way for drastic reform. Beard's *An Economic Interpretation of the Constitution* became the classic formulation of the debunking attack.

Beard argued that the Framers of the Constitution deliberately designed an undemocratic system to protect the privileged classes of which they themselves were members. In recent years Beard's thesis has been under sharp attack and is open to question on every vital point. But it is necessary here only to see how the triumph of Beard's interpretation affected the Liberal view of the Constitution and in time, ironically, the Conservative view as well. For fifty years, scholars have seen antidemocracy everywhere in the constitutional system – because they expected to see it.

Accordingly, for example, James MacGregor Burns' opening sketch of the "Madisonian model" (the object of his attack in *Deadlock of Democracy*) seems to make familiar and perfect sense. Madison, Burns says, was almost obsessed with the problem of an "*oppressive* majority." Madison's solution of the problem "became the archpin of the whole constitutional framework . . . the system of checks and balances." Madison "was calling for barricade after barricade against the thrust of a *popular* majority." Madison fearfully and mistakenly believed that it was "necessary to have what he called 'auxiliary precautions' of checks and balances built right into the frame of government." (My italics: notice the change from *oppressive* majority to *popular* majority. The implication is that what seeks to block the one blocks the other.)

David Spitz makes very much the same point in *Democracy and the Challenge of Power:*

> The framers of the American Constitution, while openly disdainful of the 'common' people, did not think it wise to exclude them altogether from political power. . . .
>
> The rule of the people remains, however, but a partial rule. Madison might . . . say sincerely that 'a dependence on the people is, no doubt, the primary control on the government'; but he –

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> and the rest of the framers . . . —was far more impressed by the dangers to a government that is too dependent on them. . . . It was necessary, therefore (or so he and the framers insisted), to look to 'auxiliary precautions,' to establish institutional obstacles — e.g., federalism and the separation of powers — that would effectively limit or prevent the majority from having its way.

Richard Hofstadter, in *The American Political Tradition,* also ascribes an "antidemocratic position" to the Framers. But having "misgivings about turning to the extreme right," they hoped instead for " 'balanced government,' an idea at least as old as Aristotle and Polybius. . . . A properly designed state . . . would check interest with interest, class with class, faction with faction, and one branch of government with another in a harmonious system of mutual frustration."

A balancing off of aristocracy and democracy in a "mixed regime" — that would be a check indeed upon majority rule. Something like this idea underlies much of the Liberal conception of the Framers' intent. It is amusing to find the view firmly shared by Russell Kirk: "The United States remain, in considerable degree . . . what Aristotle called a 'polity,' a balancing and checking of classes in society." Hofstadter clearly dislikes what the Framers wrought and Kirk likes it, but they are both agreed on what they wrought — a Constitution designed radically to circumvent majority rule. Hofstadter is convinced that the Constitution was rigged against the advancement of democracy, and Kirk cheerfully agrees. Totally ignored in the process is James Madison who, in *Federalist* 14, insisted that the American regime was "unmixed" and "wholly popular," from which it followed that "auxiliary precautions" were fundamentally compatible with majority rule.

Thus the over-all Liberal view of the Constitution: a thorough skepticism, to say the least, regarding the fundamental principles and institutions of the "frame of government," because they were designed to crib and confine the popular spirit, that is, the spirit which Liberalism seeks to emancipate. And as a kind of positive print of the Liberal negative: the Conservative's emphatic agreement that this was indeed the Framers' intent.

We must now turn to the Liberal bill of particulars regarding the way the constitutional system operates to frustrate majority rule.

Consider this account by Robert Dahl and Charles E. Lindblom, in their well-known book, *Politics, Economics, and Welfare:*

> Federalism; the composition and procedures of the Senate; the bicameral legislature; the separation of President and Congress, and the checks and balances between them; differences in their constituencies; fixed and overlapping terms of Representatives, Senators, and the President; constitutional restraints on legislative authority; judicial review; the amending process; a decentralized party system; and the devolution of power to committee chairmen in Congress whose position is automatically derived from seniority — all these provide a variety of narrow defiles where a

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> skillful and aggressive group may fatally mine the path of any group of threatening leaders. . . .
> The strategic consequence of this arrangement . . . has been that *no unified, cohesive, acknowledged, and legitimate representative leaders of the 'national majority' exist in the United States.* . . . On a great many policy questions . . . 'the majority' is a fiction. But even if there were a national majority in the United States, it could not rule unless it were . . . overwhelmingly large.

In short, for all practical purposes, the entire constitutional system is hostile to majority rule. From this view, Dahl and Lindblom reach a characteristic Liberal conclusion: because of its antimajoritarianism the whole constitutional system significantly lessens the possibility of "rational social action."

Consider, in the same vein, Burns:

> States' rights, local elections, restricted franchise, minority rights, rural over-representation, checks and balances, congressional power, the danger of majority or 'mass' rule, judicial review (at least in the old days), powerful committees, the seniority system, the filibuster — in short, the Madisonian system . . . .

Under the spell of Beard, and perhaps out of a Liberal readiness to class as inimical to the popular spirit any kind of legal-governmental restraint, Liberal writers have tended to lump together all items of the constitutional system as evidence of the undemocratic and timid intent of the Framers. The Conservative is quite inclined to agree. He, too, regards the system as all of a piece; he, too, sees all of its devices as merely variant ways of accomplishing a single end — the diminution and division of power.

But this is, as we shall see, to lump together radically different things and to obscure the variety of ends the Preamble announces that the Constitution was devised to achieve.

### 1. *Separation of powers and bicameralism*

Separation of powers is, of course, widely understood as a central part of what Hofstadter called the Framers' undemocratic "harmonious system of mutual frustration." It is, of course, rightly also understood as intended to provide a general safeguard to liberty from government. In addition, Conservatives are fond of explaining that separation of powers was especially inspired by memories of British royal tyranny and hence that it was primarily devised to protect liberty from the Executive. Liberals usually agree — it makes perfect sense to them that Congress was designed primarily to harass and frustrate the Executive; they have only to consult what they believe to be the evidence of their senses.

No recent writer has been more exercised than Burns over "Madisonian" separation of powers as a dangerous impediment to bold executive leadership. And yet he mentions in passing that had the Framers opted against separation, had they chosen "legislative selection of the executive," the resulting parliamentary system would probably have been "much more like the 3rd or 4th Republics of

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France . . . than Great Britain's system of strong executive leadership." But he fails to draw the proper inference from his correct observation, namely, that the aim of separation of powers was, in significant part, to create *the strongest executive possible under the circumstances*, and that the development of the modern presidency (of which Burns approves) *depended upon the separation and the broad powers thus independently granted the office.* That is, the leading Framers viewed separation of powers as the best way, in the American democracy, to avoid the kind of weak executive then prevalent in the states (where separation of powers had been minimized), and to prevent the dangerously free play available in a parliamentary system for the centrifugal tendencies of American federalism. It almost suffices to support this view to remember (what is never mentioned) that Alexander Hamilton, the defender of "energetic" government, was no less enthusiastic regarding separation of powers than was Madison.

The most instructive account of what separation was designed to accomplish is, of course, given by Hamilton and Madison speaking together as "Publius" in *The Federalist.* "Publius" does not justify separation of powers only as a defense of liberty in general against government and of minority rights in particular against majority oppression. He also sees in separation of powers a temporary defense of government from the people (and from the most popular branch, i.e., the legislature) — a defense of the energy, dispatch, and competence of government from popular folly. Recognition of this would discommode Liberals and Conservatives alike. Both invariably portray the Framers as fearful of popular *tyranny.* They were indeed. But they were equally fearful of popular *folly* and legislative *ineptitude.* As much as they sought *free* government, they sought *competent* government — not minimum government safely chained down, but government broadly empowered and competent to a broad range of tasks. And separation of powers was vital to the accomplishment, in their view, of powerful as well as free government.

Liberal political scientists have always admired a parliamentary system on the British model. But if Burns and "Publius" are right — that in 1787 parliamentarianism would have enfeebled American government — the question must be raised: to what extent does the worth of the envied British system depend upon its peculiar origins, especially the slow process by which democracy supplanted Britain's dominant aristocratic institutions? Anglophilic American political scientists, who strain to see aristocracy in the American system, have never been much troubled by British balanced government where massively aristocratic institutions long existed. They rarely accuse *it* of having been a harmonious system of mutual frustration. They simply abstract from it qualities they like — e.g., parliamentary supremacy — and seek means to graft them onto the American system. A reappreciation of the fact that separation of powers was devised to nurture powerful as well as free government would make possible a re-consideration of long-cherished opinions about the respective

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merits, in modern democratic conditions, of the American and British systems.

As to bicameralism, its intention was very similar to that of separation of powers. Quite apart from the federal purpose of the second house, it was no doubt desired to create a body that could (like the separate President and judiciary) stay popular tyranny. But again the aim was equally to erect temporary barriers to popular ineptitude. Thus, the main thrust of *The Federalist*'s argument concerns primarily not liberty but the utility of the Senate in providing energy, "system," and "well-connected" — that is, sustained and long-range — measures. Recently, many Liberal writers have begun to remark how much more "progressive" the Senate is than the House, and Conservative writers (again the peculiar parallel) have come to cherish still more the House. From *The Federalist*'s analysis, it could be argued that the Senate was always intended to be the more "progressive" body. This is startling only if it is assumed that the more popular a legislative body, the closer to the great mass of the people, the more likely it is to be progressive. This is a modern assumption (now not so strongly held as it once was) not at all shared by the Framers. They thought that a "temperate and respectable body of citizens," at a little greater remove from the people, would more likely have enlightened views regarding, for example, religion, slavery, science, and foreign policy. Whether it would truly be a gain from the point of view of liberalism itself that America should have a single legislative body is a question. But again it is a question not likely to be considered seriously until the thought of the Framers and the purposes of our constitutional system are seen as neither outmoded, nor undemocratic, nor dedicated solely to liberty.

One last observation. It cannot, of course, be denied that separation of powers was intended as the great "auxiliary precaution" against majority tyranny and majority capriciousness. But the Framers believed that this precautionary check satisfied the democratic requirement because it was only a temporary one. In Tocqueville's terms: separation of powers does not seek to deny "that social power superior to all others must always be placed somewhere." Under the American Constitution, the majority is accorded that superior social power; the effort is only, again to quote Tocqueville, to "retard its course and give it time to moderate its own vehemence." The only way, then, that separation of powers can be viewed as radically undemocratic is to view even a temporary check as inadmissible.

### 2. *Federalism*

Convinced that the Framers intended to divide and diminish democratic power (and the power of government generally), Liberals and Conservatives agree in regarding federalism and separation of powers as simply different species of the genus "checks and balances," two similar ways of dividing power. But how radically the two actually differ can best be indicated in the following obvious manner. Federalism is indeed an effort to divide the governing au-

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thority and thus diminish the power of the national government. Separation of powers, on the other hand, is quite compatible with a central government of unlimited powers. The main point of the federal principle is to hold national authority to a minimum. Separation of powers has no such purpose whatsoever; it is a mode for the safe exercise, not the diminution of power.

At a minimum, then, lumping federalism and separation of powers together as "Madisonianism" is to blur distinctions of the utmost importance. Moreover, there is something especially ironic in labelling the federal elements of the American system "Madisonian," since in 1787 Madison was a major opponent of their introduction into the Constitution, and the federal elements were imposed upon Madison and his closest colleagues by the opponents of Madison's Virginia Plan.

This fact leads us to one of the great ironies of American politics. Federalism is unquestionably the source of many of the constitutional features that Liberals castigate as undemocratic. For example, the Senate is "malapportioned" because those most insistent upon federalism insisted upon a Senate in which the states would be federally equal. Similarly, the amending procedure was dictated by federal considerations; the "pure federalists" of 1787 insisted upon a mode by virtue of which no one section could impose its will on the rest of the states. In the same way the Electoral College also had a federal basis. And the opinions of the Supreme Court, during the period 1880-1937, that were most offensive to Liberals, were delivered in the name of, among other things, federal restrictions on the national authority.

Now who were the "pure federalists" of 1787, who were responsible for so much in the Constitution that is deemed "antidemocratic"? They were the Patrick Henrys and Richard Henry Lees – those whom most Liberal writers have long viewed as the "truer democrats" of the period. In 1787 the Senate, the amending procedure, the Electoral College, the federal limitations on national authority – these were all conceived in deference to the rule of the people. *The "federal idea" versus the "national idea" is not a conflict in principle of antidemocracy versus democracy, but of one conception of democracy versus another.* The insistence upon the federal features derived from the belief in the inherent virtues of "small republics," and the conviction that popular government would perish in any attempt to create a unitary republic as large as the United States. The profound link of the federal features with the "small republic" conception of democracy helps explain why Conservatives often become ardent believers in direct democracy at the state and local level – that and the conviction that they have a good chance of winning on the substantive issues (e.g., capital punishment, educational policy, etc.) at the local level. But this phenomenon of the "two democracies," this distinctive aspect of American politics, is obscured by both the Liberal and Conservative insistence upon seeing federalism as some kind of external restraint on popular government itself.

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3. *Rural overrepresentation, the Congressional committee system, and seniority*

What should be the one most obvious common characteristic of these aspects of the American political system is that they have little or no basis in the original Constitution or in anything that can be deemed the handiwork of James Madison. And yet some Liberal writers persist in giving to these obviously later (and, in part, unanticipated) developments the firmest possible foundation in American affections by insisting that they are part somehow of the original constitutional design.

How explain, for example, the assertion (it is never more) that Congressional rural overrepresentation was the intent of the Framers? Could it have been the intent of Madison, whose Tenth *Federalist* presupposed an advanced commercial society where the states, then "little more than a society of husbandmen," would acquire "a more advanced population" and would make "progress in those branches of industry which give a variety and complexity to the affairs of a nation"? Could it have been the intent of Hamilton and other leading Framers who are so often (when they are not being blamed for rural overrepresentation) stigmatized as the aggressive representatives of urban commercial interests? The determination to place rural overrepresentation in an undifferentiated, original antidemocratic package testifies to the intensity of the sentiment that all the defects of our system of government derive from the original sins of the Framers.

This is not in the least to defend (or to attack) rural overrepresentation. Rather it is simply to disentangle it from other political things with which it has indiscriminately been lumped. Thus disentangled, it may be diagnosed in its true light as a growth upon the system; and thus disentangled, the quarrel as to its merits need not go to the nerve of the constitutional design.

The whole question of seniority and the Congressional committee system, which is closely related to the problem of rural overrepresentation, needs similarly to be disentangled. Perhaps some substantial committee system is necessarily the consequence of a constitutionally separate legislature actively and independently involved in the process of legislation. But the precise form of the system, and especially selection of leadership by seniority, is quite independent of the Constitution and is certainly open to challenge. The question of what should be reformed or preserved cannot well be considered if the committee and seniority system is deemed a necessary consequence of an undemocratic Constitution. Biased by his hostile view of the Constitution, the Liberal attributes all defects to the whole scheme of constitutional "auxiliary precautions," and believes that remedies require as much alteration of the constitutional system as possible.

Liberals thus often attribute to the constitutional design consequences that result primarily or solely from the peculiar character of the South. For example, Burns' hostility to Congress and his whole

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theory of the "four-party system" seems to be simply a complicated way of accounting for Southern Democrats. How objectionable would the committee-seniority system, as such, seem if Southern Democrats were less dominant in the committees? That is, would the system be nearly so reprehended if the Congressional Seniors came more randomly from all parts of the country, as would be the case if not for the anomalous condition of Southern politics? Might the committee-seniority system even seem to have some attractive qualities in comparison with the increasingly tame House of Commons of the British system? One must remember that the South's peculiar situation was wholly unintended by the Framers. They had every hope that the course of Union would bring an end to slavery and the South's distinctiveness. "The changes of time," Madison remarked, "on the comparative situation of the different states, will have an assimilating effect." No section or state, he hoped, would differ from the others as much as did the South, when all states had become integrated into the national, commercial economy that is the premise of the Tenth *Federalist*.

To the extent, then, that the character of the present congressional system derives from the South's peculiar situation, it can find little basis in the original constitutional design. The spirit of the Constitution offers no support to any system of minority veto such as Liberals claim to be the practical effect of the present procedures of Congress. Nothing in the Constitution bars an open-minded consideration of the merits of the committee-seniority system.

And yet the Liberal persists in rooting into the Constitution all things of which he disapproves and thus blithely gives to Conservatives an immense advantage – the superior claim to speak in the name of the Founding Fathers. It would seem that he has been simply foolish in doing so. If the Constitution's "auxiliary precautions" are compatible with democracy, as the Framers themselves declared, then it would appear that the Liberals have erred egregiously, that their hostility to the Constitution is simply unfounded.

## 3

There is a sense, however, in which that hostility is very well founded. The real issue turns on the nature of American majorities and the political parties representing them, and on the consequence of these for what Liberals today allege to be, in Burns' current use of the phrase, "the deadlock of democracy."

The Liberal argument that the Constitution is radically undemocratic has an important corollary: the antidemocratic restraints which cripple majority rule make any kind of effective government impossible. Henry Steele Commager, for example, believes that the Framers were so fearful of tyranny that they

> set up not only boundaries to government but impediments in government. Thus they not only made it difficult for government to invade fields denied to it, but they made it difficult for government to operate at all. They created a system where *deadlock*

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would be the normal character of the American government. (My italics.)

Although closely connected with the view that the Constitution is undemocratic, the emphasis on deadlock involves a slight but important shift in the basic argument. The view of the Constitution as undemocratic implies that the real ruling element in the system is oligarchic, in a class sense. When the emphasis is on "deadlock," the idea of naked oligarchy gives way to a more neutral idea of "minorities rule." These minorities are sometimes still conceived of as oligarchic but less emphatically and not necessarily so. Rather, the emphasis is on the fragmentation of the *demos* itself into conflicting and "overlapping" minorities. It is then argued that any substantial popular minority acquires, under the constitutional system, a strategic power to exercise in practice a veto on policies it strongly dislikes. The consequence is held to be deadlock and drift, because a people thus fragmented are unable to form a majority united behind coherent programs. Here the Liberal view indeed approaches American reality and that portion of it which frustrates Liberal hopes.

But does deadlock in fact result – as Liberals contend it does – from the necessity for consensus or extremely broad agreement among the fragmented minorities before government can act in important matters? The American political system does indeed rest upon consensus, if by that is meant the broad agreement of most Americans on the fundamental principles of the regime. The Liberal confusion consists, however, in believing that the constitutional design requires consensus *on particular measures*, and that national majorities must be "overwhelmingly large" before they can carry the measures they desire.

Now it may or may not be a good idea that time should go by while differences narrow between parties and interests over important measures; and American majorities may or may not be prudent in restraining themselves thus to permit consensus to develop. But it simply is not true that majorities are constitutionally obliged to do so. And it simply is not true that important measures are not regularly undertaken by the ordinary process of majority rule. During the early New Deal, the American people by ordinary majority processes under the Constitution elected a government that enacted immensely important programs for which there was then no consensus, no "mutual consent," no support in "general opinion," to use the dictionary definitions of consensus. No extraordinarily large majority was needed when one vote in the House of Representatives saved conscription in 1940 against powerful opposition. Today, under President Johnson, many things are done to which substantial minorities dissent. Important controversial legislation is in fact constantly being passed over the strong opposition of large minorities. All that is required is that something like an ordinary majority actually come to want the thing to be done.

In short, consensus is not required – but majorities are. The Liberal complaint that majorities cannot act has no foundation; the

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real complaint is that majorities simply do not act as Liberals want them to act. And that is the central issue: what things do American majorities want and to what things does the constitutional design incline majority opinion?

Without allowing it to affect the rest of his argument, Burns acknowledges the fact that majorities could act boldly if they so desired.

> If . . . a swelling, unified proletariat should develop *à la* Marx, or if, to take Madison's own example, a debtor class should gain majority support in every state and elective district [a gratuitous qualification] — then the debtors would capture control of every decision point in the government and could tyrannize the minority.

Here we at last encounter the extent to which the democratic principle is at the basis of the constitutional system. This is precisely what Madison stated flatly: "When a majority is included in a faction," it will be able "to execute and mask its violence under the forms of the Constitution," because this is the necessary consequence of "the form of popular government."

Against the danger that majority factions would use their authority under the Constitution, Madison and the Framers devised some temporarily retarding "auxiliary precautions," and, perhaps above all, the "large republic" theory of "multiplicity."

> In the extended republic of the United States, and among the great variety of interests, parties, and sects which it embraces, a *coalition of a majority* of the whole society could seldom take place on any other principles than those of justice and the general good. (My italics)

The Constitution thus generates a political process based upon a majoritarian consensus and not upon an antimajoritarian consensus. What Liberals object to, and rightly from their point of view, is the character of the majorities that result from the constitutionally generated process of majority coalition. Burns, who unwarrantedly complains of antidemocracy and deadlock, in one passage hits his true target:

> To act, American leaders have had to gain the concurrence not simply of a majority of the voters, but of majorities of different sets of voters organized around leaders in mutually checking and foot-dragging sectors of government.

This is what produces the "deadlock" of which Burns complains. But Burns does not mean a literal deadlock, that nothing whatsoever is being done. What he really means is that not enough of what the Executive proposes is being done, and that the Executive is not proposing enough. In short, the problem is that coalition majorities do not want what Liberals want.

Now all this is especially exasperating to the Liberal because he is convinced that mankind approaches the apocalyptic moment when there is an "exciting potential for creative statesmanship." But majorities formed by coalition do not support "bold and creative national leaders"; they do not "exploit the enormous possibilities of urban man and world men"; they do not support "fresh and creative ventures in

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foreign policy"; instead we seem not to "have advanced much beyond the cave man in the stakes and style of our politics." (The quotations are all from Burns.)

The majorities generated by the constitutional system reject or insufficiently accept the substantive politics and goals of Liberalism. This is the Liberal's deepest charge. And it is his most accurate charge.

The task, then, for Liberals is somehow to change the character of American majorities. Believing that majorities cannot of themselves become what Liberals wish them to be, Liberals have fastened upon the party system as the way to make that change. It is a common belief among political scientists that the American political order was once saved by the emergence of political parties. The undemocratic and deadlocked governmental system provided by the Constitution was partially democratized and rendered partially operable only by the development of mass political parties which broke through the Constitution's barriers toward popular rule and effective government. Beneath an undemocratic and deadlocked legal structure, it is thought, an effective and democratic political reality partially emerged through the parties. (The Conservative, of course, emphatically agrees. He too thinks that the political parties, and the underlying political processes generally, have "subverted" the original constitutional order.) What the political party once saved, the Liberal hopes it can now transform.

For example, while they are dubious that it can be achieved, Robert Dahl and Charles Lindblom believe that the idea of " 'party government' . . . does at least go to the heart of the problem." It does so because disciplined parties might develop "a set of unified, cohesive, acknowledged, and ultimately legitimate representative-leaders of the 'national majority.' " In the same vein, Burns complains that Roosevelt was content to be a Madisonian "master broker," and thus failed to build a "coherent party out of a liberal majority." Our "splintered parties," Burns argues,

> set up barriers between the people and their national government rather than simplifying the alternatives, clarifying competing party doctrines, and allowing the victorious majority to govern.

By means of such parties and such majorities, Liberals would seek to rest the whole political order entirely and directly upon "a dependence on the people." Now what prevents the development of such parties? Disentangled from all his talk of antidemocrary and deadlock, the passage from Burns quoted above is helpful: the barrier to such parties is the fact that "majorities of different sets of voters [are] organized around leaders in mutually checking and foot-dragging sectors of government." These "sectors of government" summon up and harden the diversities among the voters, which in turn necessitates coalition majorities, which in turn prevent the Liberal kind of national majority. And whence come these "sectors of government" which thus stand in the way? The answer is: separation of powers, bicameralism, federalism, judicial review, the Congressional system, the Electoral College, the fixed and staggered terms of national office,

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etc. In short – the whole array of "auxiliary precautions" that Liberals reject.

The Liberal aim is thus clear. In order to transform the human condition, which is his deepest aim, the Liberal seeks to make the political order fully dependent upon a transformed people. To achieve the transformation, he seeks the right kind of constitutional institutions to produce the right kind of party to produce the right kind of majority. At the very center of Liberalism there is a theory of the truly democratic party – unified and coherent and thus capable of summoning up from the unformed mass the majority acquiescence in the Liberal goals that, the Liberal believes, is the natural inclination of the true majority. To such a party and such a majority, the Constitution and its "auxiliary precautions" does indeed obstruct the way.

## 4

The Liberal rightly rejects the Constitution because, from his point of view, its auxiliary precautions corrupt its popular aspects. The Conservative wrongly thinks that the auxiliary precautions were designed to prevent the majority from doing whatever it is the Conservatives now dislike – that the system is indeed tilted toward antidemocracy and deadlock. The Liberal dislikes the Constitution for what at bottom are correct reasons. The Conservative likes the Constitution for what at bottom are wrong reasons. In a sense the Liberal is the intelligent foe of the Constitution and the Conservative its foolish partisan. Given the dominance of either, the Constitution would perish.

But, fortunately, not everyone is either a Liberal or a Conservative, Gilbert and Sullivan to the contrary notwithstanding. In the vast majority of Americans the tendencies of Liberalism and Conservatism are hopelessly intermixed. This may be wretched from the point of view of clarity, but it is surely indispensable to the political health of the country. The vast majority of Americans believe that the Constitution's democratic principles and its restraints upon majority action are perfectly compatible, and that together they constitute the peculiar American political way. David Spitz finds this puzzling:

> In what must be accounted one of the great paradoxes of our time, the majority of the American people do not seem to want a system of majority rule. They do not trust themselves to rule wisely. They welcome formal or institutional restraints on their own powers and desires.

There is no paradox, save on the premise that a majority decision for such self-restraint cannot be truly democratic. But to "Publius" and the Framers, such a premise would itself have been an absurdity. For they knew that, if it were not an absurdity, there would be no possibility of making democratic government acceptable to reasonable men.

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# The British debate the welfare state

TIMOTHY RAISON

A few years back, Britons looking for a postwar achievement to boast about would frequently single out the Welfare State. Some – among the few who have not succumbed to the current complicated blend of humility and false modesty – still do. But many others have their doubts. They feel that other nations' health services may be at least as good as ours and their social security, housing, and education are often more lavish and more efficient. Or they may feel that in some almost indefinable way welfare has become an obsession, and a corrupting, enfeebling one at that, which drains away both initiative and resources that would be better spent on other things.

To say that the result is ferment would be an overstatement; but it is true that there is more discussion about the future pattern of the social services than there has been at any time since the famous Beveridge report of 1942 charted the postwar pattern. Questions are being asked both on the Right and on the Left; and sometimes, even, answers are being offered. There are also signs that the Welfare State may become the subject of political controversy in a way in which it has not for some years. There is not yet a confrontation between the parties on most of the issues; but there is considerable maneuvering for position.

Although the Labour Party has been most closely identified with the Welfare State – it was after all the 1945-51 Attlee administration which implemented the Beveridge recommendations – the Conserv-

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atives have always been at pains to emphasize their records of social reform over the past hundred years and more, in such things as education, factory regulations, and public health, while the Liberals can point to Lloyd George as the founder of social insurance in Britain. The shock of their unexpected and severe defeat in 1945 has made postwar Tories very reluctant to appear hostile to the interests of the working class, whether workers or pensioners. Indeed, 1945 left as deep a trauma on many Tories as the slump of the 1930's has on the Socialists. The result has been that Conservatives have upheld the Welfare State and allowed it to expand on very much the lines adopted by Lord Attlee and his colleagues, with only the occasional grumble from the Tory backbenchers and a few economic liberals.

Now, however, our Radical Right – alias the economic liberals and market economists – are starting to question much more sharply the basic Beveridge notion of "universality" (which implies that benefits, and to some extent contributions, should be equal and available for all) and to stress the twin principles of (a) concentration on need and (b) extending choice, notably through the private sector. The most vigorous political exponent of this view is Enoch Powell – that *rara avis* in British politics, a doctrinaire intellectual of the Right, whose political impact over the last year or so has been considerable. Behind him, and supplying him and like thinkers, lies the agreeably buccaneering Institute of Economic Affairs. Launched by a rich chicken farmer and run by two economists with a taste for controversy, Ralph Harris and Arthur Seldon, the IEA has gathered together a band of neo-*laisser-faire* economists and writers who are determined to puncture the collectivist approach wherever they can. The ideas of men like F. A. Hayek and Milton Friedman have influenced them, but they include some substantial thinkers in their own right.

But rethinking about the Welfare State on the Right is not confined to the economic liberals. More moderate Conservatives feel the need for change, and accept in particular the desirability of concentrating on need rather than on providing benefits for people who do not need them. The two most often quoted examples of the latter – one generalized, one particular – are the provision of subsidized council (i.e. public) housing for families with relatively high incomes and the fact that Field Marshal Montgomery draws an old age pension which he can scarcely need.

This rethinking among the moderate Conservatives tends at the moment to be concentrated on social security – retirement, sickness and unemployment insurance, and national assistance (i.e. supplementary income for those below a minimum level) – and housing policy. Housing is particularly pressing: there was wide agreement that if any particular issue could be said to have substantially affected the 1964 election result it was housing and the supply of land.

But an attempt to rethink the social services in terms of whether real needs are being met is by no means the prerogative of the Conservatives. The Labour Party is committed to recasting the present

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structure; and in some respects is moving surprisingly away from Beveridge's principle of universality. It was Labour indeed which first adopted the notion of wage-related social insurance benefits in 1957. (The Conservative government followed somewhat half-heartedly in their wake, introducing a pensions scheme in 1959 which represents the first real postwar break with the principle of universality). It is not surprising that Labour should be thinking now in terms of concentrating on real need, for one of the outstanding if paradoxical features of the postwar welfare state, under the reign of the principle of universality, has been the fact that it was the middle classes (not the poor) who particularly benefited from it. Free medicine, for example, had been available to the poor before the war; now it became available to everyone. So, too, family allowances (a lump sum weekly payment for each child after the first) went to rich as well as poor (though admittedly, like the retirement pension, they were taxed). At the same time, middle-class parents have increasingly made use of the state schools.

## The politics of equality

The original force behind this paradox was the idea of equality; but another element may have played a part in ensuring that, on the whole, the Socialists would never be tough on the middle classes and the Conservatives on the working classes or the poor — the need to win their votes. Indeed, at times both Conservatives and Labour seem remarkably oblivious of the needs of their own supporters: Conservatives, who now advocate concentrating benefits on hard-hit areas and the poorest families, and withholding them from the better-off, do not always seem to appreciate that this is likely to hurt the middle class, who are becoming increasingly restive at what they feel to be the loss of their relative economic standing. But perhaps what lies at the back of the minds of Tory advocates of this view is the hope that, by concentrating rather than spreading benefits, taxation may be reduced. Conversely, in the last resort the Labour Party sees social policy as a means for achieving redistribution of wealth from the rich to the poor; and if their support, for example, for wage-related benefits may seem on the face of it surprisingly inegalitarian, it also has implicit in it the parallel intention of using the insurance system to achieve redistribution by weighting benefits in favour of the less prosperous, whether by "cooking the books" or by using Exchequer funds to subsidize those at the lower end of the scale.

There are other emotional elements in the situation. Labour may be talking of moving away from Beveridge's principles, but the notion that social services should be free is deeply ingrained in their hearts. One of the first (and to economists, least justified) actions of the Wilson Government was the decision to abolish the two shilling charge on medical prescriptions, which had been reluctantly sanctioned by Hugh Gaitskell as Labour Chancellor of the Exchequer at the time of the Korean war, and has been less reluctantly maintained by the Conservatives ever since. So, too, any talk of providing im-

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proved educational services (e.g., nursery schools) by fees tends to arouse strong Labour opposition — even if it is conceded that fees should not be imposed on those who cannot afford them. (To revert to our earlier paradox, it is Labour, not the Conservatives, who want to see university education made free for all, instead of means-tested, even though it is the middle-class, not the working-class, parents who would benefit by this). Labour, in fact, has a deep-rooted aversion to the whole notion of means tests, with its undertones of patronizing charity (as opposed to right) and its echoes of the old Poor Law.

Yet this position is not just obscurantism. There is a strong argument to be made that the working classes need to be educated into a use and appreciation of the social services — they need to be actively encouraged to keep their children on in school after the minimum leaving age, to visit the dentist, and so on; and any sort of charge (even if remitted against a means test) will have the reverse effect.

Conservatives counter this with another deeply felt, though rarely implemented, conviction: a belief in thrift. They argue that too comfortable unemployment, retirement, or national assistance benefits militate against saving and confer an unfair advantage on the spendthrift, as against those who have worked hard to build up their savings only to see those savings taxed and the improvident virtually as well-off as they are. But when it comes to the point, Conservatives so far have done relatively little for the thrifty: some may suspect that the Great British Public would support them if they did, but the gamble has not proved attractive.

The thread that runs through all discussion and argument on the social services is: equality. This, of course, is what redistribution is about; and whichever side one leans to politically, one must acknowledge that the vital economic feature of the social services is that they are a means of redistributing wealth from the richer to the poorer. In education and to some extent health they have a linked secondary effect, in that they give the poor the chance to earn more money, without necessarily making the rich less rich in the process.

A few years ago, when the word "affluence" was on everyone's lips and when the Tory party won the 1959 election on the theme of prosperity (crystallized, so it is said, by the Tory strategist Lord Poole, after he had observed the money flowing in the prosperous shopping centre of Watford, some 30 miles out of London), the whole notion of class appeared at last on the wane. Upward social mobility seemed to be eroding it: the talk was of how we were all becoming one class. In the last year or two, however, things have changed. The awareness that some parts of the country, like Scotland and the North East, are very much less well off than others, and that some people are very much less well off than others, has made us aware that we are not yet One Nation, as Tories have fondly hoped. More important, we have come to see that educational equalities, which it was thought had disappeared, still in fact exist: Oxford and Cambridge are open to every child if he has the talent, but middle-class talent is far more likely to be released than working-class talent: a cultured back-

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ground, a wider and more fluent vocabulary, higher motivation, and even better food may all affect academic achievement. Moreover, even those who have surmounted the barriers still often feel some ill-defined resentment against those who did not have to surmount them. The result is that, for the first time for some years, there is a resurgence of feeling that the public schools should lose their privileged position – that they should be either thrown open to a wider entry or abolished.

But there is a more significant divide in English education than that between State and independent schools: the divide between those who leave school at the age of 15 (it will be 16 in 1970) and those whose education continues. The trend is to stay on, but the latest figures for 1964 revealed that only 24 percent of the 16-year-olds were still at school. The early leavers are those who will go on to unskilled and often dead-end jobs; though they are not of course predominantly criminal or antisocial, it is from them that the criminal and antisocial will largely stem – it is they who will produce a large proportion of what are thought to be society's failures. (All this, presumably, is parallelled in America). Since the publication of Dr. Michael Young's *The Rise of the Meritocracy* in 1958, there has been increasing concern about the gap between those who are on the upward escalator and those who are standing still or moving down. There has also been mounting opposition to the eleven-plus examination, by which children have been selected at about eleven years of age for either academic grammar schools (for the cleverest one-fifth or so), or less academic "secondary modern" schools. Even before Labour Government came to power in October 1964, local authorities were devising ways of getting round the eleven-plus, or at least of softening the method of selection; and there was a tendency to substitute comprehensive schools for the selective system, particularly in areas where it was possible to start from scratch without altering existing schools. The Labour Government has now committed the country to the gradual abolition of selection and to comprehensive education, though a considerable variety of approaches to comprehension is being permitted. The next step would seem to be to decide whether streaming by ability – widely practiced at present – is really consonant with egalitarian education ideals.

## The rights of the individual

One other element is increasingly entering into discussion of the social services: the rights of the individual and the place of choice. When the Welfare State was launched it was assumed that the consumer's interests would be adequately protected by advisory councils and perhaps the voice of Parliament. In fact, the social services (like the nationalized industries, about which similar assumptions were made) inevitably developed as bureaucracies, and the fact that many of the social services' clients were relatively poor and ill-educated meant that they did not know how to stand up for themselves. People like Professor Richard Titmuss began to argue that the way to over-

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come this was by making sure that the articulate middle class made use of the public services, rather than of private services, since they would kick up a fuss if, for instance, doctors or nurses or Ministry of Pensions officials treated them as numbers rather than human beings. Then – inspired again to some extent by Michael Young – a consumer movement began to grow up in Britain, initially to compare the products of manufacturers, but subsequently to examine and, if need be, to criticize public services. So far the movement has achieved only limited successes, but some of them have been quite concrete. In particular, associations for improving maternity services, for stimulating the notion that mothers should be allowed to be with their children in hospitals, and for advancing state education, have all achieved some impact; and there are other similar ones in the field. The idea is spreading that schools should allow parents to know far more about what goes on inside them, and even to influence it; equally, hospitals are being made to ask whether patients need be woken up quite so early and visited so infrequently.

More subtle ideas about patients' rights are also beginning to spread. The now well-known notion of the therapeutic community in the psychiatric hospital, where patients and staff are beginning to try to operate as something approaching equals, is one. Another is the concept that the long-term resident in, say, a home for incurables or an old persons' hostel should not be deprived of all say about his environment: occupational therapy and recreation are beginning to be regarded as not enough.

This new stress on the individual is not a notion confined or tied to any one political party: all parties pay at least lipservice to it, though naturally enough the party in power finds it hard to move things very rapidly. This is the kind of issue that the Liberals should be able to exploit, but so far they have not made much headway in putting themselves over as the party of the individual – partly because they have tended towards collectivist economic policies. (The heirs to the 19th-century Liberal tradition are now virtually all to be found among the Conservatives).

## II

Such briefly are some of the principles and issues under discussion. It would be misleading to say that there is a major public debate afoot, except perhaps in education. What people mind most about is the size of their benefits, the availability and cost of their housing. But within the parties there is a good deal of reappraisal under way. Mr. Harold Wilson acknowledged the need for it when he gave the post of Chancellor of the Duchy of Lancaster to Mr. Douglas Houghton with the specific injunction to reexamine and coordinate the social services, and the Conservatives have devoted a fair proportion of their post-election rethinking to the same problems.

At the moment, attention is tending to concentrate on three major topics: the move to comprehensive secondary education, the pattern of social security, and the best way of providing housing and the land

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on which to build. Medical general practice and the provisions of hospitals have also been in the news, with the doctors threatening to strike over their pay and the Conservatives' ten-year-plan for hospitals showing signs of working out as a 20-year-plan instead, thanks to mounting costs and inadequate estimating. But these medical problems have resolved largely round the allocation of resources: those in education, social security, and housing concern principles.

Few would dispute that, next to holding the cost of living, the quickest way to the heart of the British electorate would lie through a supply of more and cheaper housing. The Conservatives earned a great deal of credit by the vigor of Mr. Macmillan's famous housing drive after the Tories returned to power in 1951; but the combination of the "revolution of rising expectations" and the scarcity of, and profiteering in, land, tarnished the Conservatives' image as the party that can tackle the housing problem. Moreover, Labour made a determined bid to win over the people who would have liked a home of their own but had too low an income to gain a mortgage or raise a deposit. George Brown, in particular, put over the impression that Labour would supply cheap rate mortgages for would-be house buyers (a prediction that has come out in reverse). Labour promised to set up a Land Commission which would acquire urban land for development and thus end the "land racket" – again a pledge which is proving hard to redeem; while both parties pronounced themselves in favour of cooperative and other forms of nonprofit-making housing associations. So far, as the Tories predicted, the consequences of Labour rule has been a sharp slowing down in the supply of building, especially for homeowners.

But, then, Labour anyway has always stressed the importance of public building of housing to let; and in particular has always favored the use of subsidies for this purpose. In other words, Labour tends to regard housing as a social service, while Conservatives see it as an economic commodity, with the subsidy element properly concentrated on special categories, such as the poor, the elderly, and slum clearance. They encouraged the notion of differential rents for public housing. They also made a bid to get away from rent control – a bid which Labour is now reversing with a new Rent Bill designed to establish fair rents by impartial tribunals. Socialists like Mr. Richard Crossman are instinctively against the landlords: Conservatives tend to argue – as the Milner Holland committee on London housing did – that we shall never provide enough housing to let unless we make landlordism worthwhile. As a Tory myself, I feel that the logic in most of these arguments about housing lies with the Tories; but it must be admitted, as the Milner Holland report made clear, that considerable abuses took place in the years of Conservative rule. At times the argument seems to revolve round whether it is better to stake everything on building as many houses as possible, in the belief that enough housing is the way to get prices down; or whether the stress should above all be on a *fair* housing policy, under which greater equality may be partially offset by a somewhat smaller supply.

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The social security issues are even more complicated than housing. As I said earlier, both parties have committed themselves to some degree of wage relation in national insurance, and Labour is expected to produce a fully-fledged plan to this effect. The 1959 Conservative Act retained a compulsory flat rate scheme of national insurance for everybody and provided a supplementary wage-related scheme for those who earned above £9 a week. But employers could contract their staffs out of this scheme and provide a private pensions scheme of their own. The Conservatives weighted the scales in favour of contracting out; the Socialists, by contrast, plan to weight the scales the other way. They argue that only a state scheme can really take care of inflation (by supplementing benefits). Moreover, leading socialist thinkers, notably Professor Titmuss, feel a very strong dislike for the power of the insurance companies – with whom the Conservatives, by contrast, tend to be closely linked.

Some Conservatives, however, do not accept the notion of state wage-related schemes. Enoch Powell, for example, argues in favor of a social security tax which would pay a pension or benefit to anyone who needs it – but not as of right. It would be up to individuals to supplement the minimum which could be expected from the State. This school points out that, in fact, the notion of national *insurance* has been, and almost certainly will continue to be, farcical, in that benefits derive from taxation and contributions rather than from a proper insurance fund.

### A minimum income guarantee?

The other major discussion in social security is over what to do about national assistance. National assistance is given to anyone who can satisfy the National Assistance Board's officers that his income is below a certain level (which is not standard, since it takes some account of different rents). To obtain it, one has to submit to a means test. The idea was put forward – originally by the Bow Group of Conservatives – that it might be possible to establish people's income through their income tax return, thereby avoiding the odium of the means test. Anyone below a certain income would then be brought up to the agreed level. This idea was adopted by Labour, who pledged themselves to introduce it. In practice, however, it is very much harder to apply than it sounds in theory. It means, for one thing, that three million retired people who do not at present have to fill up tax forms will have to do so – a vast burden on an already overburdened Inland Revenue department. It also means that some method of taking account of weekly fluctuations in income will have to be devised – for the tax returns are in terms of annual income. In addition, some Conservatives naturally regard the whole notion as inimical to thrift – at least the means test has provided some sort of incentive to save. Nevertheless, the notion of Minimum Income Guarantee does have a good deal to commend it – if it could be made to work. Not the least of its possible merits could be the chance it would provide to turn the National Assistance Board into a rather more positive wel-

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fare agency, concerned to seek out need and help people to make best use of the complex social service system. It is also argued that all benefits, including unemployment and redundancy benefits, could be distributed through one agency. There is fairly widespread agreement on measures to make sure that the fluctuations in employment caused by changing technological and commercial conditions should be covered by redundancy agreements and wage-related insurance. But whatever solution may emerge, the government was forced to acknowledge in July that the country's economic situation did not offer much chance of their coming into effect for another year or two.

At the time of writing, both parties are groping towards their final positions in both housing and social security. To some extent, this is also true in education. The Socialists have declared themselves against the eleven-plus and for comprehensives: the Conservatives have not so far revealed how fiercely they will oppose this policy. They tend to feel uneasy about adopting avowedly or apparently anti-egalitarian positions; yet they know that their more ardent supporters in the country will expect a strong line in defense of the grammar schools (as also of the independent schools). But this is a situation which is developing fast; and in a few years' time the argument may be not about how to open up the elite but about whether we should be thinking in terms of elites at all.

Yet perhaps this suggests a greater interest in theory than normally characterizes the British. In a sense it may be true that the problems that really matter have little to do with party doctrine — the acute shortage of teachers, nurses, social workers, and other skilled personnel, for example, or the sheer uncertainty as to what is the best form of provision for the old or the mentally sick. Behind them all is the inescapable demand that, as standards of living generally rise, so must standards of welfare. And this means welfare throughout the country. Research has stressed that in Britain, as in the United States, there are still pockets of poverty and inadequate provision in, say, medical and dental services, in a generally prosperous society — in the areas of relatively high unemployment, among immigrants, in large families, in the slums; and as in the U.S., the notion of positive discrimination in favor of these groups has become increasingly more widely accepted. It is part of the swing against the principle of universality that I described earlier; and so far at least it has not been a matter of political dispute between the parties.

There are plenty of reasons, then, why the social services are likely to be of increasingly more absorbing interest to a country with diminished overseas interests and responsibilities. Whether they add to the risk that Britain will become increasingly insular and unambitious is as hard to decide as the parallel question of whether our concentration of both interest and resources on social welfare is sapping the economy. Does it make it virtually impossible to provide economic incentives through reduced taxation? Or is social security the bedrock from which dynamic enterprise may spring? Even history will be hard put to answer that.

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# THE STUDY OF THE FUTURE

## 1. Can One Predict?
## 2. The Oracles at Delphi

*Daniel Bell*

This is an era in which society has become "future-oriented" in its thinking. The French Commissariat du Plan last year set up a 1985 Committee to explore different choices in the use of the expected increases in French national income. The American Academy of Arts and Sciences is creating a Commission on the Year 2000 (which, after all, is less than thirty-five years away), to anticipate social problems and to design new institutions to cope with them. The Ford Foundation has underwritten such varied projects as Resources for the Future, Inc., which has assembled statistical estimates, based on requirements and availabilities, of American physical resources (heat and power, metals, water, food, outdoor recreation, and the like), and the European-based project, Futuribles, directed by Bertrand de Jouvenel, which has sponsored almost a hundred speculative essays under the rubic "The Future of . . . Pakistan, Greece, India, etc.," as well as detailed studies of methods of planning and prediction, and of expected changes in the major institutions of society.

In the last few years, in fact, at least half a dozen nongovernmental organizations have begun in some serious way to anticipate or even "invent" the future, and there have been published, by cursory count, at least two dozen books that soberly attempt some broad or technical projection about the shape of society ahead and its problems – e.g., *The Future* (by Theodore Gordon), *The Foreseeable Future* (by Sir George Thomson), *The Future of Man* (by P. B. Medewar), *Man and His Future* (edited by Gordon Wolstenholme), *Inventing the Future* (by Dennis Gabor), *Profiles of the Future* (by Arthur C. Clarke), *Resources in America's Future* (by Landsberg, Fischman and Fisher), *The World in 1984* (edited by Nigel Calder), *The Next Generation* (by Donald Michael), *The Race to the Year 2000* (by Fritz Baade), *The Next Hundred Years* (by Brown, Bonner and Weir), *Life in the Twenty-First Century* (edited by Vassiliev and Gouschev), and on and on.

All of this is startling, and in some ways novel. Only seven years ago, Raymond Aron could remark (in his Auguste Comte lectures on *War and Industrial Society*) that "we are too much obsessed by the 20th century to spend time in speculating about the twenty-first. Long-range historical predictions have gone out of fashion." Aron, it is true, was talking about the apocalyptic modes of thought that dominated the 19th century: the contending forces of rationalistic optimism, nourished by utopian visions of earthly abundance, and the irrationalist pessimism derived from the aristocratic, Catholic and Nietzschean critiques of mass society, two modes that were caricatured and cruelly distorted by the Soviet effort to transform a lumbering society root and branch, and by the Nazi glorification of race and blood. While many ideologies of the *tiers monde* retain an apocalyptic air – precisely because of the discrepancy between the vaulting fantasies about a new role in world history and the recalcitrant reality of

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economic backwardness – that style of thought has largely disappeared among the Western intelligentsia, at least among those who have lived through several decades of wars, concentration camps and terror.

What has remained from the utopian tradition, however, and this is the underlying element in our renewed interest in the future, is its eudaemonism – the proposition that each person is entitled to happiness and that it is one of the functions of government to try and assure him at least the preconditions of happiness. Now, some persons may cavil that happiness is a subjective state that cannot be defined, let alone measured, and its pursuit is a personal matter to be defined by the individual in his own way. Whatever force this argument may have as a metaphysical statement, or as a statement about ultimate definitions, the simple sociological fact is that in a complex, interconnected society, the *conditions* of happiness for the mass of the people – social and economic security, education, equal opportunity, decent housing, medical care, and the like – involve a high degree of collective action through the agency of government, national or local. The creation of a welfare state which all this implies is thus linked with a concern about the future.

What has been added to the recurrent eudaemonism (one cannot call it eternal, since the proposition that to provide happiness is the function of government goes back principally to Saint-Just and the French Revolution) is a *technocratic* orientation about the achievement of happiness. The older utopian tradition assumed that all social problems would be solved simply by "abundance." Even such a hard-headed revolutionist as Lenin assumed (in *State and Revolution*) that most functions of state administration had "become so simplified and . . . reduced to such simple operations of registration, filing, and checking" that they would be within the "reach of every literate person." What is clear today is that planning is a highly technical skill and involves a host of equally specialized skills. Planning itself, whether city or economic, has become a profession, complete with its own arcane language and hieratic knowledge. And many of the planners "foresee" themselves as the forerunners of a new class – *les dirigeants,* the future governors of the future society.

How does one explain this resurgence of interest in "the future"? And why has it become so technocratically oriented? One can identify a number of elements that have conjoined to produce this new future-orientation:

1. The fading of the horrors of the past – the recession of Nazism and Stalinism – and the rise of a new generation (as well as new states) have created new demands upon society, and a new optimism about fulfillment. To this has been added the "romance of space." What science fiction (the genre is less than eighty years old, and mass-produced science fiction is only about thirty years old) had foretold as a fantasy became a possibility with the launching of the first Sputnik in 1957. Within less than a decade, more than a dozen men have orbited the earth, space shots have reached the moon and have probed Mars, and a communications satellite that provides instant television and telephone linkage among almost all parts of the world has become a permanent fixture in the skies. Thus man's technological powers have been given a new dimension and a new dramatic demonstration. The jump-off into space is also a jump-off into future time.

2. The rapid expansion of transportation and communication (five-hour jets from coast to coast; a hundred million persons, on 93 percent of all television sets in the United States, simultaneously watching the Kennedy funeral) has bound this country together in a new way and,

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perhaps for the first time, created a genuine national society. At the same time, the interdependence and the competition of people and enterprises have increased. Corporations have to anticipate technological trends, new products, changes in markets, capital needs, new plant locations, and must make more careful estimates of costs and output; today almost every company makes regular five-year budgets, many make ten- and twenty-year planning projections. Looking toward the future and planning for its consequence have increasingly become standard activities of the business firm.

3. The commitment to "economic growth" is an institutionalized feature of every modern society. Our ability to measure growth (dating back only twenty years or so, when the idea of Gross National Product was adopted as a measure of national achievement), our recognition of the role of government policy in stimulating or retarding growth, have made us all aware of the nature of social change and the role of government in directing social change.

4. The commitment to economic growth has meant, in many societies, an auxiliary commitment to "planning." Planning, as the Russians found out, need not mean a completely centralized, overadministered command economy. The French have developed indicative planning, which combines pooled market information – so that all firms are aware of each other's intentions and can adjust their targets accordingly – and government-induced investment in socially defined areas. The British are tinkering with an economic-development plan that combines a national incomes policy (primarily one of wage restraint) with a directed investment policy. Even the United States, while not formally committed to planning, has a set of national goals and purposes, proposed by the Commission that was set up by President Eisenhower. These goals – sixteen areas for the expansion of needs and services – have recently been "costed out" by the National Planning Association, which found that if all the projected expenditures were made by 1975, their expense would exceed the economy's capabilities by $150 billion. In all these ways, attention to planning and goals necessarily focuses attention on "the future," and how one can anticipate social and economic developments.

5. The development of a new intellectual technology – game theory, decision theory, linear programming, simulation, information theory, cybernetics, systems analysis – all of it tooled by the computer, allows us now to construct models of the future and assess possible consequences. The "input-output" models of Wassily Leontieff provide an interindustry matrix of 81 sectors, so that we can chart throughout the economy the "flows" of different economic combinations. Professor Richard Stone, of Cambridge, has created a simulation of the British economy that can demonstrate exactly which areas of investment or consumption have to be favored in order to achieve designated growth rates or desirable allocations of resources. The Brookings Institution, and, independently – Robert Solow and James Tobin – have created "econometric forecasting" models, mathematical models of the American economy that will give us quarter-by-quarter forecasts of economic activities. The development of intellectual tools for planning thus provides the instruments for prediction, as well.

6. Finally, the heightened prestige of science and the crucial role of research have brought with them a new, optimistic temper about the future. Science, by its nature, is open, self-corrective, and often cumulative. Its very promise is one of new knowledge. We have recently been informed, principally by Derek Price, that knowledge has been growing at

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an "exponential rate" – i.e., the number of scientific articles, the holdings of major research libraries, the number of scientific periodicals have been "doubling" at a faster rate than ever before. Whatever caveats one may have about the genuine accretions of knowledge that might be reflected simply in the doubling of publications, the idea of the information explosion has reinforced the sense many people have – although it cannot be measured – that technology is increasing at an accelerating rate, and that new inventions, new modes of communication, new knowledge will demand new social forms necessary to cope with these changes.

In sum, there now exists the sense that social change, inevitably linked in its effects, must be guided in some conscious direction. Though this may not create the changes themselves, it will at least anticipate their direction and effects, and plan accordingly. In other words, we have become oriented toward the future.

THE growing preoccupation with the future inevitably leads to the question of forecasting: how well can the future be predicted? Is such prediction possible when human affairs are so tangled or liable to irrational or capricious decisions, and when the elements that make up aggregate behavior are so multiple? The answer is not whether one can or cannot predict, but what kinds of things one can predict, and with what state of confidence.

Clearly the prediction of *single events* or the *singular decisions* men in power will make is very difficult, and is a function largely of intelligent information. (When one Kremlinologist was taxed with his failure to predict Khrushchev's downfall, his reply, quite correctly, was: Khrushchev didn't see what was coming, how did you expect me to see it?) Having reliable sources close to the decision-makers can, of course, facilitate prediction. But when a decision has to be *inferred*, then one is subject to many qualifying and even contradictory elements. For example, the question has been raised as to why, even though American Intelligence had broken the Japanese cipher codes and knew the imminence of war, the United States was unprepared at Pearl Harbor. The answer, as Roberta Wohlstetter points out (in her fascinating book *Pearl Harbor: Warning and Decision*), is that while we knew of the Japanese intention to attack Hawaii, we also knew a dozen other possibilities. We had no way of knowing which, among the dozen, was the most likely. The universal expectation among Americans, and others, was that when the Japanese attacked, they would move directly southward toward the Netherland East Indies, and the Philippines, as indeed they did. All that was expected at Pearl Harbor was sabotage against which precautions had been taken. "A warning signal," as Mrs. Wohlstetter observes, "is not likely to be heard if its occurrence is regarded as so improbable that no one is listening."

In similar fashion one can ask why the Hungarian revolt of 1956 which Paul Kecskemeti, in his study, has called *The Unexpected Revolution*, was not foreseen. The events of October, 1956, came as a total surprise to everyone in the West including people who were professionally concerned with what was going on in Hungary. A retrospective analysis by Donald D. Ranstead, which examined all the published material in English during the crucial period between July, 1953, and October 1, 1956, sheds some light on the matter. "Much of it was written under the spell of an academic concept of 'totalitarianism' that had come to be the standard basis of analyzing communist politics. Hannah Arendt's *Origins of Totalitarianism,*

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published in 1952, set the pattern. Kracauer and Berkman's *Satellite Mentality* which appeared, unfortunately, in the year of the upheavals only seemed to give empirical confirmation to the standard concept."

The concept of totalitarianism posited the idea that all social life within the totalitarian society had become atomized and subject to terror, and that internal revolt was highly unlikely, if not impossible. The different developments in Hungary, for example, which began with Nagy's launching of the "New Course" in July, 1953, were regarded only as a "seeming change," or simply as a factional struggle for power at the top with no consequences for the rest of the society. Thus, despite the open evidence of change, the failure was one of interpretation.

The prediction of political changes or of single decisions runs the hazard, thus, of inadequate information, of too much "noise" (in the language of communication theory), or of dogmatic conceptualization which in itself sifts out inadequately the kind of signal the experts should be alert to. But there are different kinds of changes that do lend themselves to more accurate "plotting" of the future. One class of such changes is the crescive one – which, because of a time lag, is evident long before it comes to the fore. Demography, or population changes, represents the best example of such crescive changes, and most market research and planning are based exactly on such calculations.

Population forecasting does have its hazards. In the 1930's, for example, the National Resources Planning Board assumed that the American population would reach a peak of about 165 million between 1960 and 1965, and then decline to about 130 million or so by the year 2000. The error was based on a straight-line extrapolation of depression trends, and failed to take into account the decisions families made in conditions of postwar prosperity. (Today, all demographic projections are usually made on high-low-and-middle estimates, in which the assumptions for each level are carefully stipulated.)

How *many* persons will be born may be subject to a margin of error, but once individuals are born, we know that they will be available for work in about twenty years at some reasonable ratio; in this respect, labor-force data are the most solid of all facts available. In this and the next decade, for example, we face a tremendous influx of youngsters into the labor force simply because of the coming of age of the postwar babies. Compared to the 1950's, the increase is of a magnitude of 100 percent. We used to have two million youngsters reaching age eighteen in the early 1950's; we now have over four million a year. This data leads us to plan for increased needs not only in schools and jobs, but in other areas as well: in family formation, housing, automobiles, recreation, and the like. A study like the Unilever Corporation's *1984* is a fairly straightforward market projection of 25-year trends, using data beginning with 1959. Peter Hall's *London 2000* is, along the same lines, a meticulous examination of the probable growth of the London metropolis, and a suggestion about the balancing of residential, office, industrial, and recreational areas. Thus a great deal of prediction does go on, using this kind of material.

On the other side of the coin to crescive changes are the predictions based on *limits*, physical and institutional, which act as constraints to growth. Thus, as early as 1955, analysts of the Soviet scene predicted that the Russian government would have to make huge investments in agriculture and divert resources from other areas. The analysis was made simply by plotting the land available for *extensive* agriculture (most of Russia lies

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above the 55° parallel) and the yields per acre that were possible with existing methods. Though it was predicted that such a change was inevitable, no one could predict when such diversion would begin. In fact, it took ten years for the prediction to come true. Khrushchev sought to postpone the decision by opening up new "virgin lands" – forest tracts which many experts had deemed to be unsuitable for that purpose. When the virgin-lands policy failed, Khrushchev's successors finally took the long-delayed step and announced, in May, 1965, that in the next five years the Soviet Union would invest 71 billion rubles in intensive development of agriculture, a sum equal to all their agricultural investment in the previous twenty years.

Ultimately, all useful prediction is a function of tested theory. Much prediction – most prediction, so far – is derived from experience, which is a rough way of sifting out what is relevant from what is not in making an estimate of the future. But the function of theory is to "reduce" experience, and to identify the relevant variables that allow us to explain behavior. The most satisfactory theory, and the fullest prediction, are possible usually in a "closed system" whose boundaries are defined, and whose equilibriums can be established. In the human world there are few such closed systems. To a considerable extent, however, the development of modern economics has allowed us to identify the relevant variables that explain the operation of the economic system, and to establish some mathematical equations for the interaction of these variables. And this has led, in the last few years, to the development of econometric models that will attempt to forecast economic behavior. (The operation of a number of such models will be reported on in future issues of *The Public Interest.*) But in most other affairs our methods of forecasting are still primitive and essentially speculative, and it is only recently that some attention has been paid to the establishment of the "controls" of prediction, and a means of testing them – to some extent. For this reason, the first study that will be reported on in this department is a pioneer effort both to do some specific long-range forecasting and to study the methods whereby such forecasts can be refined. This study was done at the Rand Corporation by Olaf Helmer and Theodore Gordon, using what the authors have dubbed the Delphi Technique.

## 2.

In planning our daily lives, we are accustomed to making daily, weekly and even yearly forecasts hopefully, with some reasonable degree of certainty, for if we are to function at all with some degree of rationality, a stable order is the primary need of individuals, as it is of governments.

Most planning, by individuals or by corporations or by governments, is based on extrapolation from the recent past, some knowledge of alternative possibilities, and some contingency planning (the most usual being insurance) against unforeseen hazards. For the more distant future – ten, twenty and fifty years ahead – one necessarily relies on more intuitive judgments about the future. The intention of the Delphi Technique is simply to obtain such intuitive judgments as systematically as possible from persons who are designated as experts in the area to be predicted.

The Rand study sought predictions in the following six areas:

(1) Scientific breakthroughs
(2) Population control
(3) Automation

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(4) Space progress
(5) War prevention
(6) Weapon systems

Eighty-two experts participated. Professionally, there were twenty engineers, seventeen physical scientists, fourteen logicians and mathematicians, twelve economists, nine social scientists, five writers, four operations analysts, and one military officer; forty-two of the participants were Rand staff members or consultants; of the remaining forty participants, eight were from other countries.

In the first panel, on scientific breakthroughs, the experts produced a list of 49 possibilities. The list was submitted to the group and each person was asked to predict the probable time of each breakthrough. From the results, the median year and the quartile range for each item were established (e.g., the median year for a specific prediction might be the year 2000, the quartile range from 1980 to 2033.) On the second round, the study found a considerable consensus for ten breakthroughs. Of the remaining thirty-nine, seventeen were arbitrarily selected for further study. The experts were then asked, in the third round, to consider the probable time of the 17 remaining breakthroughs and, if the opinion fell outside the range of opinions shared by the middle 50 percent of the previous responses, the expert was asked to justify his answer. A fourth and final questionnaire refined the items and stated the majority and minority opinions.

Laborious as this procedure may be, this panel technique was adopted for a double reason: it eliminated or lessened the problems that arise out of face-to-face discussion (e.g., the bandwagon effects of majority opinion, embarrassment in refusing to abandon a publicly expressed opinion, etc.), and it allowed the feedback through successive rounds, which gave a respondent the time to reconsider an opinion and to reassert or establish new probabilities for his choices.

All of the final answers were presented within time distributions. Thus it was predicted that economically useful desalination of sea water (the first on the list) would come between 1965 and 1980, though the median year was 1970. It was predicted that controlled thermonuclear power would be available in 1985, though the time range was put between 1978 to 2000. In presenting here the major findings of the study, however, these qualifications, because they are burdensome in exposition, are eliminated. Readers should note, therefore, that all dates given are the median year.

What, then, have the experts predicted?

*The World of 1984*

If we abstract the most significant items from the forecasts of all six panels, the following picture emerges of the state of the world in 1984:

The population of the world, because of the declining death rate in the *tiers monde*, will have increased by about 40 percent from its present size to 4.3 billion – that is, provided no third world war will have taken place before then. (There is, say the experts, a 15 to 25 percent probability that such a war may erupt, though this risk can be reduced to 5 percent by appropriate policy measures.)

To provide the increased quantities of food needed by this larger population, agriculture will be aided by automation and by the availability of desalinated sea water. Effective fertility control will be practiced, with the result that the birth rate will continue to drop.

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In the field of medicine, transplantation of natural organs and implantation of artificial (plastic and electronic) organs will be common practice. The use of personality-control drugs will be widespread and widely accepted.

Sophisticated teaching machines will be in general use. Automated libraries, which look up and reproduce relevant material, will greatly aid research. World-wide communication will be enhanced by a universal satellite relay system and by automatic translating machines. Automation will span the gamut from many service operations to some types of decision-making at the management level.

In space, a permanent lunar base will have been established. Manned Mars and Venus flybys will have been accomplished. Deep-space laboratories will be in operation. Propulsion by solid-core nuclear-reactor and ionic engines will become available.

In the military arena, ground warfare will be modified by rapid mobility and a highly automated tactical capability, aided by the availability of a large spectrum of weapons, ranging from non-lethal biological devices and lightweight rocket-type personnel armament to small tactical nuclear bombs and directed-energy weapons of various kinds. Ground-launched anti-ICBM missiles will have become quite effective. Anti-submarine warfare techniques will have advanced greatly, but improved, deep-diving, hard-to-detect submarines will present new problems.

*The World of 2000*

When we continue our projection to the year 2000, the following major additional features emerge as descriptive of the world at that time:

The population size will be up to about 5.1 billion (65 percent more than 1963.) New food sources will have been opened up through large-scale ocean farming and the fabrication of synthetic protein. Controlled thermonuclear power will be a source of new energy. New mineral raw materials will be derived from the oceans. Regional weather control will be past the experimental stage.

General immunization against bacterial and viral diseases will be available. Primitive forms of artificial life will have been generated in the laboratory. The correction of hereditary defects through molecular engineering will be possible.

Automation will have advanced further, from many menial robot services to sophisticated, high-IQ machines. A universal language will have evolved through automated communication.

On the moon, the mining and manufacture of propellent materials will be in progress. Men will have landed on Mars, and permanent unmanned research stations will have been established there, and on earth commercial global ballistic transport will have been instituted.

Weather manipulations for military purposes will be possible. Effective anti-ICBM defenses in the form of air-launched missiles and directed-energy beams will have been developed.

*The World in the Year 2100*

When they tried to look as far ahead as the year 2100, there was no pretense regarding the existence of any consensus among the respondents. The following developments, for which there was a median forecast of no later than 2100, are reported not as a prediction of the state of the world at that time but as an indication of what a number of thoughtful peo-

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ple regard as conceivable during the next few generations that lie ahead of us:

By the year 2100, the world population may be on the order of 8 billion. Chemical control of the aging process may have been achieved, raising a person's life expectancy to over 100 years. The growth of new limbs and organs through biochemical stimulation may be possible. Man-machine symbiosis, enabling a person to raise his intelligence through direct electromechanical tie-in of his brain with a computing machine, is a distinct possibility. Automation, of course, will have taken further enormous strides, evidenced in all probability by such things as household robots, remote facsimile reproduction of newspapers and magazines in the home, completely automated highway transportation, and the like.

The problem of adequately providing the necessities of life for all people of the earth will presumably have been solved by international agreements based on the abundance of new sources of energy and raw matrials opened up in the twenty-first century. As for materials, it is even possible that elaborate differential mining processes will have been abandoned in favor of commercially efficient transmutation of elements.

Conceivably, revolutionary developments will have become feasible as a result of the control of gravity through some form of modification of the gravitational field. A permanent lunar colony may well have been established, with regularly scheduled commercial traffic between the earth and the moon. A permanent base on Mars, landings on Jupiter's moons, and manned flybys past Pluto are likely accomplishments. Possibly even a multi-generation mission to other solar systems may be on its way, aided perhaps by artificially induced long-duration coma.

If one turns from the "composite" picture of the worlds as envisaged at these detailed times to the specific areas of forecasts, the picture looks somewhat like this:

*Scientific Breakthroughs.* Most experts think that by 1990 thermonuclear power will be controlled; that there will be "economically useful exploitation of the ocean bottom through mining (other than just off-shore oil drillings)"; that "economic feasibility of commercial generation of synthetic protein for food" will be developed; that there will be an "increase by an order of magnitude in the relative number of psychotic cases amenable to physical or chemical therapy"; and that "biochemical general immunization against bacterial and viral diseases" may be possible.

*Population.* Population forecasts are more conservative than most estimates based on extrapolation from present and recent growth. Straightforward extrapolation puts the world population at 13 billion in 2050. The median estimate of the experts is slightly over 7 billion.

At the same time, however, the experts predicted that advances in medicine and in the production and distribution of food would further lower the death rate. In view of this lowered death rate, it would appear that the experts may have been unduly optimistic about population figures. A minority of experts thought that famine would lower the figure for 2050, but the majority disagreed. Most put their faith in the widespread acceptance of birth-control devices.

*Automation.* Forecasts about future developments in automation include within the next decade an "increase by a factor of 10 in capital investment in computers used for automated process control," air traffic control, teaching machines and automation of office work leading to the displacement of 25 percent of the current work force.

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"Electronic prosthesis," "automated interpretation of medical symptoms," and "construction on a production line of computers with motivation by education" all await us before 2000. Also, there will be "widespread use of robot services for refuse collection, as household slaves, as sewer inspectors, etc.," as well as "widespread use of computers in tax collection, with access to all business records for automatic single tax deductions," and "availability of a machine which comprehends standard IQ tests and achieves scores above 150."

After 2000, the experts look for "evolution of a universal language from automated communication," "automated voting, in the sense of legislating through automated plebiscite," "automated highways and adaptive automobile auto-pilots," "remote facsimile newspapers and magazines, printed in the home," "man-machine symbiosis, enabling man to extend his intelligence by direct electro-mechanical interaction between his brain and a computing machine," and "international agreements which guarantee certain economic minima to the world's population as a result of high production from automation."

*Space Progress.* In forecasting progress in space, the experts agree remarkably on developments within the near future – the logical extension of current work. Thus, before 1980, we will witness, among other things, orbital rendezvous, "unmanned inspection and capability for destruction of satellites," "a manned lunar landing and return," and a "temporary lunar base (2 men, 1 month)."

By 2000, the experts tend to agree, there will be a "permanent base established on Moon (10 men, indefinite stay)," "manned landing on Mars and return," and "establishment of permanent research stations on near planets."

The twenty-first century can bring "commercial global ballistic transport," "manned landing on Jupiter's moons," "manned multigeneration missions to other solar systems," "regularly scheduled commercial traffic to a lunar colony," and "communication with extraterrestrials."

*War Prevention.* The mean estimates of the experts on this panel were a 10 percent probability of large-scale war within the next 10 years and a 20 percent probability within the next 25 years. If war comes, they see it as a result of (1) "escalation of a political crisis" (45 percent); (2) "escalation in the level of violence in an ongoing minor war" (37 percent); (3) "inadvertence" (11 percent); (4) "surprise attack at a time when there is no ostensible acute crisis" (7 percent).

The experts believe that the most realistic and effective measures that might reduce the chances of war include "buildup of Western-bloc conventional forces," "increased security of command-and-control and retaliatory capability," and "development on both sides of invulnerable delayed-response weapons that are incapable of surprise attack." Less effective, probable, or desirable measures, but still worthy of attention, include "greater political and economic unity among free advanced democracies," "establishment of a standing worldwide U.N. police force, not subject to veto," bilateral U.S.-S.U. arms control agreements," and "holding the status quo against even minor aggressions."

Least effective and least probable measures include "support and promotion of a United States of Africa, Latin America, Europe, Asia," a "clear U.S. statement as to which national interests are to be protected by nuclear deterrents, and orientation of our policies to that end," an "organized encouragement of conscientious objection on the part of scientists to

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cooperation in the improvement of weapon systems," and a "U.S.-initiated unilateral step toward disarmament."

The experts mitigated their Cassandra-like predictions by optimistically believing the chances of war would be reduced 75 percent within 10 years and 70 percent within 25 years if the suggested preventive measures were "vigorously pursued."

*Weapon Systems.* Panel predictions on weapon systems were doubtless affected by military secrecy, which would tend to restrain respondents having access to classified information.

Of the 32 developments in weapon systems eventually considered, the experts predicted on two levels: (1) when the weapons would be developed under "normal" conditions, and (2) when the weapons would be developed under "crash" conditions. They also weighed the effectiveness as well as the feasibility of each development.

Before 1980 the experts see "extensive use of devices which persuade without killing (water cannons, tear gas, etc.)" and "incapacitating biological agents." Before 2000 they expect "perishable counter-insurgent arms," "accurate intelligence correlation through the use of computers," "biological agents destroying the will to resist," and "massive civilian defense and postwar recovery plans." Experts disagree widely about the time when "effective terminal defense by air-launched antimissiles" and "large orbiting satellite weapons for blackmail" will be operational, but they definitely feel such weapons will be developed.

Unlikely to be developed are such "weapons" as "mass-hypnotic recruitment of forces from enemy populations" and "mind-reading," although a few experts do not rule out their possibility.

WHAT is one to make of these forecasts? Mr. Helmer and his colleagues express their surprise at some of the forecasts that have been propounded, and they list the ones that they had failed to anticipate:

> The implication that the water-covered portions of the earth may become important enough to warrant national territorial claims.
>
> The possibility that continued developments in automation will result in serious social upheavals; the almost complete acceptance of the necessity of regulative legislation.
>
> The probability, in the relatively near future, of very widespread use of personality-control drugs.
>
> The notion of an actual symbiosis of man and machine.
>
> The fact that control of gravity was not rejected outright.
>
> The relative confidence that the population curve would begin to level off during the next generation.
>
> The strong likelihood of the emergence of weapons of a non-killing, nonproperty-destroying nature, covert perhaps, attacking on the psychological or biological level.
>
> The general disagreement with the concept of deep-space military applications, such as heliocentric strategic fleets.
>
> The anticipated relatively high probability of another major war. The absence, on the one hand, of significantly new ideas for the prevention of war, and the confidence, on the other, that the application of what may almost be called traditional proposals to this effect holds great promise for reducing the probability of war.

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Helmer and his colleagues sought to point up certain warnings, not to prophesy doom but to indicate the areas in which a major effort would have to be concentrated in order to avoid future disaster. They were subsumed under four headings:

*War prevention.* While the odds against another war within the next generation are considered to be 80 percent (within 25 years), a 20 percent chance is intolerable. The main danger appears to be in mutually undesired escalation and downright inadvertence; hence a major effort to seek improved ways of forestalling such disaster becomes necessary.

*Equitable distribution of resources.* While there is a consensus that eventually there wil be an abundance of resources in energy, food, and raw materials, there is no foregone conclusion that such resources will be available in time for the increasing world population, or that effective means of an equitable world distribution will have been found and agreed upon. To solve such problems would clearly be a great contribution toward the prevention of big or small wars.

*Social reorganization.* The anticipated growth in the amount of automation is likely to reshape the industrialized nations. While improved and highly automated methods of education will make the acquisition of technical skills available to a larger fraction of the population, only the very ablest people are likely to be needed to manage the new, automated economy. Since robots are apt to take over many of the services, especially the more menial ones, large segments of the population may find themselves without suitable employment within an economy of potential abundance. Farsighted and profoundly revoutionary measures may have to be taken to cope with this situation.

*Eugenics.* Finally, a problem, though not yet upon us, which will require much forethought and wisdom. There is the possibility – within a generation or two – of selectively extending an individual's life span through biochemical methods and of selective eugenic control through molecular genetic engineering.

THESE, then, are the forecasts that have resulted from a sophisticated use of expert talent to look at the future. With what "state of confidence" can we accept these previsions? The major difficulty, perhaps, lies not in any one item, but in the technique itself. Each prediction is made as a single instance isolated from the others, though all the participants probably recognized that the realization of any one prediction is not only dependent upon the others but, even more, is dependent on the state of the society itself. The implicit premise underlying all these predictions is that the *context* of the United States and the world will remain as it now stands. But the social systems and the relationships between them are bound to change, and these changes, more than the technical feasibility of any of the breakthroughs, will determine the possibility of these breakthroughs being realized. In short, if forecasting is to advance, it has to be within a *system context* which specifies the major social, political and economic relationships that will obtain at any given time. This is in no way to depreciate the Helmer study and its forecasts. What we are given is a set of *possibilities*, but the way in which these possibilities are combined depends upon the system in which they are received. And the art – or science – of forecasting can be extended only when we are able to advance in the creation of models of the social system itself.

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# CURRENT READING

## The Service Economy

"The U.S. is now a 'service economy,' — i.e. we are the first nation in the history of the world in which more than half of the employed population is not involved in the production of food, clothing, houses, automobiles and other tangible goods." Thus, Mr. Victor R. Fuchs, in the 45th Annual Report of the National Bureau of Economic Research, summarizes a sweeping change in the foundation of our economic system. It is a change that was foretold more than a quarter of a century ago by Colin Clark, in his *Conditions of Economic Progress,* when Clark first delineated the movement of all progressive economies from a primary (agricultural and mining) to a secondary (manufacturing) to a tertiary (service) stage as a result of increasing productivity, rising national incomes, and the consequent demand for more services in a society. Mr. Fuch's essay is a preliminary report on some of the implications of these changes. Among them:

• *The increase in the number of self-employed.* "It is widely believed that opportunities for self-employment are diminishing in the United States, but if one excludes the decline of agriculture, this is no longer true. In recent years, due largely to the growth of services, the self-employed have grown absolutely . . ."

• *New opportunities for women.* Many occupations in the service sector do not make special demands for physical strength, so that women can compete more equally with men. Females, in fact, hold down almost one-half of all service jobs compared with only one-fifth in the goods sector.

• *Size of firm.* In the goods sector, most of the output is accounted for by large profit-seeking corporations. In services, firms are typically small, owner-managed, and often non-corporate. In trade, for example, which comprises 50 percent of the service sector, half of the employment is in companies with fewer than twenty workers.

There are many intangible implications that flow from these facts. One relates to the question of "alienation." Industrialization and mass production has often resulted in depersonalization, but a service economy may reverse such tendencies: service employees are closely related to their work and often render a personalized service. Another: growth of the services, with its emphases on female employment, part-time employment, and self-employment may mean a further decline in trade union influence in the U.S. (48 percent of workers in the goods sector are unionized; only 7 percent of those in services.)

There is, finally, a question about productivity. Fuchs makes the neglected point that productivity in the services depends upon the importance of the consumer as a "cooperating agent." Productivity in the automobile industry does not depend upon the intelligence of the driver, but productivity in banking does depend upon the ability of a depositor to make out a slip accurately, or the "productivity" of the doctor depends on the ability of the patient to give readily a comprehensible medical history, etc. More generally, in the service industries many aspects of work are not really measurable, and with the increase in this sector, GNP may become a less reliable indicator of economic welfare than it is at present.

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## Good Government is Not Extinct

In *Big City Politics* (Random House), Professor Edward Banfield (of Harvard) surveys, with wit and great shrewdness, the governments of nine cities -- Atlanta, Boston, Detroit, El Paso, Los Angeles, Miami, Philadelphia, St. Louis, and Seattle -- and comes to some surprisingly agreeable conclusions. To begin with: "All nine of the city governments are honestly and ably run . . . Nowadays incompetence and corruption in high places are probably more prevalent in state than in city government." Moreover, the quality of government in these cities has been improving "despite the departure of the 'good-government'-minded middle class for the suburbs and its replacement by Negro and Southern white migrants." Why this should be so, Mr. Banfield does not pretend to know; and he concedes that this may be merely a temporary phenomenon; nevertheless, it is a fact.

Some other generalizations: (1) No American city elects radicals to local office. Despite sometimes extreme racial, ethnic and economic tensions, the political systems of big cities do not give rise to "extremist" movements -- conflict is successfully managed and contained. (2) No American city supports municipal services at a level comparable to that expected of the federal government. (3) Newspapers and organized business have a great deal of political influence in city affairs, trade unions and minority groups have little influence. (4) People tend to be very conservative in local politics even when they are very liberal in state and national affairs. (5) The middle class tends to be more generous with local public expenditures than the homeowning working class.

The next question Mr. Banfield might set out to investigate is to what extent New York and Chicago are different from the modal type, and why.

## Peddlars to Poverty

How does the "other one-fifth" live? It has been assumed that the poorly paid worker, having little money, cannot possibly be a consumer of costly durable goods. *The Poor Pay More,* by David Caplovitz (The Free Press, New York), reports on a study made by Columbia University's Bureau of Applied Social Research of 464 Manhattan families with a median income of $3,300 (45 percent Puerto Rican, 30 percent Negro and 25 percent white). Mr. Caplovitz finds that:

- Ninety-five percent own at least one television set.
- More than three in five own a phonograph.
- More than two in five own an automatic washing machine.
- More than 25 percent own a vacuum cleaner.
- One in seven own an automobile (this ratio is about average for Manhattan).

Most of these families had moved into public housing in the period preceding the study, and the typical family had spent, in addition, about $500 for furniture. (Some 16 percent paid more than a $1,000.) The overwhelming majority bought new, rather than used, durables; 85 percent, for example, bought only new furniture. Moreover, the items were expensive: forty percent paid more than $300 for their TV sets.

How can relatively large families, averaging only $3,300 a year in income, buy such expensive merchandise? The hook, of course, is easy credit from neighborhood merchants. (Hardly any of the families shopped in downtown department stores or discount houses.) Some 80 percent of

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the families had used neighborhood credit to buy their major durables. Many of these items were bought from "customer peddlars," whose traditional slogan is "a dollar down, a dollar a week." These customer peddlars were a common sight fifty years ago, during the large wave of European immigration. The new housing projects have stimulated their revival. Today's peddlar need not climb rickety stairs of dilapidated tenements; these projects, housing large numbers of potential customers, have elevators to carry him from floor to floor.

Fully half the families had made at least one credit purchase from the peddlars; more than a third made repeated purchases even when they found out that they were paying exorbitant prices for shoddy merchandise. For the peddlar serves as a purchasing agent for these families, getting them practically anything they need, and unlike department stores, does not add service charges if a payment is skipped.

In view of the large amount of credit buying, it comes as no surprise that the majority, more than 60 percent, were overwhelmingly in debt. Only 27 percent had at least $100 in savings; most had none at all. As Mr. Caplovitz observes, somewhat portentously, "this system, with its obvious exploitative practices, is able to persist because it performs important social functions. In a society in which consumption is not only a matter of obtaining material conveniences, but also a means of gaining self-respect . . . this marketing system makes consumers of people who fail to meet the requirements of the more legitimate economy. Even the welfare family is able to consume in much the same manner as its social peers who happen not to be on welfare."

## Totting up the Poor

Counting the poor can easily become a numbers game. Robert Lampman, of the University of Wisconsin, who prepared the first major paper on the poverty question in 1961, for the Congressional Joint Committee on the Economic Report, estimated the number of poor at 32 million (or 19 percent of the population) by assuming a $2,500 income for an urban family of four as the boundary of poverty. Michael Harrington, in *The Other America*, argued that $3,500 a year was a more adequate figure to define the poor, and concluded on this basis that some forty million Americans were living meanly. The Council of Economic Advisors has used a figure of $3,000 a year for a family of four in making its own estimates.

Clearly, income alone is a gross and inadequate measure of who is actually poor. A retired person, owning his own home without a mortgage, might do very well on $3,000 a year; a young factory worker, making house and car payments while supporting a growing family, may do very badly even on $4,000 a year. Mollie Orshansky, in "Counting the Poor: Another Look at the Poverty Profile," (*Social Security Bulletin*, U.S. Department of Health, Education and Welfare, January 1965), is the first to provide a differentiated picture of the poor; her essay has been immediately accepted as the *locus classicus* on the problem.

Miss Orshansky bases her definition of poverty on the amount of income that remains after allowing for an adequate diet at minimum cost. For a family of four, this "economy standard" comes to $19.60 a week for food, and $39.20 a week for housing, medical care, clothing, carfare, recreation, and the like.

On this basis, Miss Orshansky estimates that a total of 7.2 million

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families, and 5 million individuals living alone, live below a tolerable level. This is one in seven of all families, and almost half of all people who live alone. Of these 34½ million persons counted as poor, 15 million are children living in these families, and 5 million are adults of 65 or over.

By adopting the income-food relationship as the standard, Miss Orshansky modifies somewhat the picture drawn by the Council of Economic Advisers in using a uniform $3,000 a year as the poverty mark. In 1963, the Council counted 8.8 million families, or 1 out of 5, as poor; Miss Orshansky's "economy plan" standard counts 7.2 million families as poor, or 1 out of 7.

The greatest incidence of poverty is among Negroes (although 7 out of 10 poor are white) and families headed by women. Although only 12 percent of all white families are poor, about 42 percent of all Negro families come below the line. Of families headed by women, though these number only 1 in 10 of all families in the country, they account for nearly 1 in 3 of the nation's poor.

## The Uses of Bussing

In *The Urban Transportation Problem*, (Harvard University Press) Professors J. R. Meyer, J. F. Kain, M. Wohl have produced a huge tome that is as invaluable as it is unreadable. It casts a cold, mathematical eye on proposals for reforming and improving our urban transportation systems. Some of the conclusions:

1) The availability of urban transit is not likely to have much effect on the remorseless depopulation of the central business district ("downtown") — people and jobs are moving away for reasons that have little to do with transit.

2) One of the consequences of this decentralization of the city has been to *reduce* the pressure of rush-hour transit. On the statistical evidence, the quality of urban transit has somewhat *improved* over the past five years.

3) The great need for new transport facilities will be concentrated in the rapidly expanding suburbs; these will serve travellers *within* the suburban areas, and will by-pass the central business district entirely.

4) The typical user of urban highway facilities is not the beneficiary of an indirect subsidy; indeed, he pays government for these facilities rather more than he receives. *But* those who use centrally-located limited-access expressways only during peak commuter hours *are* probably underpaying.

5) There is no "crisis" on the urban highways. Just because people can't travel as fast during rush hours as during off-peak hours, doesn't mean that there's a "crisis".

6) People strongly prefer to go to work in automobiles, even when the cost advantage lies with public transit.

7) Bus transit, at low and medium population densities, is almost invariably cheaper and easier than rail transit. *Even at high population densities, bus is still the cheapest and most convenient form of public transit — if a freeway flier system (i.e., travel on a reserved lane) is provided.*

8) Conditions favorable to the use of urban rail transit are primarily to be found in the larger and older cities of the Eastern Seaboard and Middle West. In most other cities, more highways — used by either automobile or bus — make more sense than a brand-new rail transit system.

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## The Myth of Economic Omnipotence

In 1960 a commission set up by President Eisenhower issued a report, *Goals for Americans*, which identified fifteen areas where qualitative goals could be established for judging the improvement of American life. The National Planning Association, in *The Dollar Cost of Our National Goals*, by Leonard A. Lecht, has now sought to "cost out" these goals to see how many of them are realizable in the next decade. Its over-all conclusion, in this pamphlet, is that the cost of all these goals (including an additional area, the conquest of space) would come to more than a trillion dollars ($1,127,000,000,000, to be exact) in 1975, or about $150 billion more than the $981 billion Gross National Product which is projected for that year. As Mr. Lecht says, we have been suffering from a myth of "economic omnipotence," but the hard fact is that we cannot accomplish all our aspirations at the same time. Some priorities will have to be established and their choice is a matter of public debate.

Here is how the figures were arrived at: In costing out the goals, two measures were used. One was the "preempted benchmarks," or simply the monies needed to have present programs keep up with the expected population increases. The second was "aspirations," or the increases necessary to make basic improvements in each area. The social matrix, then, looks like this:

Spending for National Goals, 1962 and 1975
(in millions of 1962 dollars)

| *Goals* | *Expenditures 1962 (actual)* | *Preempted 1975 (projected)* | *Aspiration 1975 (projected)* |
|---|---|---|---|
| 1. Consumer spending and saving | $356,750 | $472,600 | $659,600 |
| 2. Private plant and spending | 48,900 | 102,300 | 151,600 |
| 3. Urban Development | 64,200 | 83,300 | 129,700 |
| 4. Social Welfare | 37,800 | 55,500 | 92,400 |
| 5. Health | 32,300 | 39,100 | 85,400 |
| 6. Education | 30,400 | 39,700 | 82,100 |
| 7. Transportation | 35,100 | 56,150 | 75,400 |
| 8. National Defense | 51,450 | 39.050 | 67,550 |
| 9. Housing | 29,400 | 36,300 | 62,000 |
| 10. Research and Development | 18,300 | 32,300 | 38,850 |
| 11. Natural Resources | 5,900 | 7,000 | 16,700 |
| 12. Internat'l Aid | 5,100 | 3,100 | 13,150 |
| 13. Space | 3,250 | 5,700 | 9,350 |
| 14. Agriculture | 7,200 | 5,200 | 9,200 |
| 15. Manpower Retraining | 100 | 400 | 2,850 |
| 16. Area Redevelopment | 350 | 450 | 950 |
| Total Gross Cost | $726,500 | $978,850 | $1,496,800* |

*(Note: The $1.5 trillion includes some "double counting" – e.g., overlaps between urban development and housing – and the elimination of these brings the net cost to $1,127 trillion.)

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But what will Gross National Product be by 1975? The National Planning Association report assumes a 4 percent annual rate of increase in GNP (the historical rate of the past generation has averaged slightly under 3 percent a year), and productivity increases of 3.3 percent a year (as against the 2.5 percent from 1957 to 1962). Given the population increase, this growth rate would still leave about 4 percent unemployed. The resulting estimates, then, look like this:

GNP, Population and Income, 1962 and 1975

| *Item* | *1962* | *1975* |
|---|---|---|
| GNP (in billions) | $ 556 | $ 981 |
| Population (in millions) | 187 | 226 |
| Civilian Labor Force (millions) | 72 | 90 |
| GNP per person | $2,970 | $ 4,340 |
| Average Family Income | $7,260 | $10,100 |

The net result is a deficit in GNP of about $175 billion by 1975. The society could match its aspiration by a GNP growth rate of 5.5 percent a year over the next decade. But, Mr. Lecht argues, this would require increases in productivity beyond the 3.3 percent anticipated, or "a longer workweek together with price and wage controls to regulate the allocation of critical raw materials and manpower in 'shortage' occupations." Failing that, we shall have to choose which goals come first.

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